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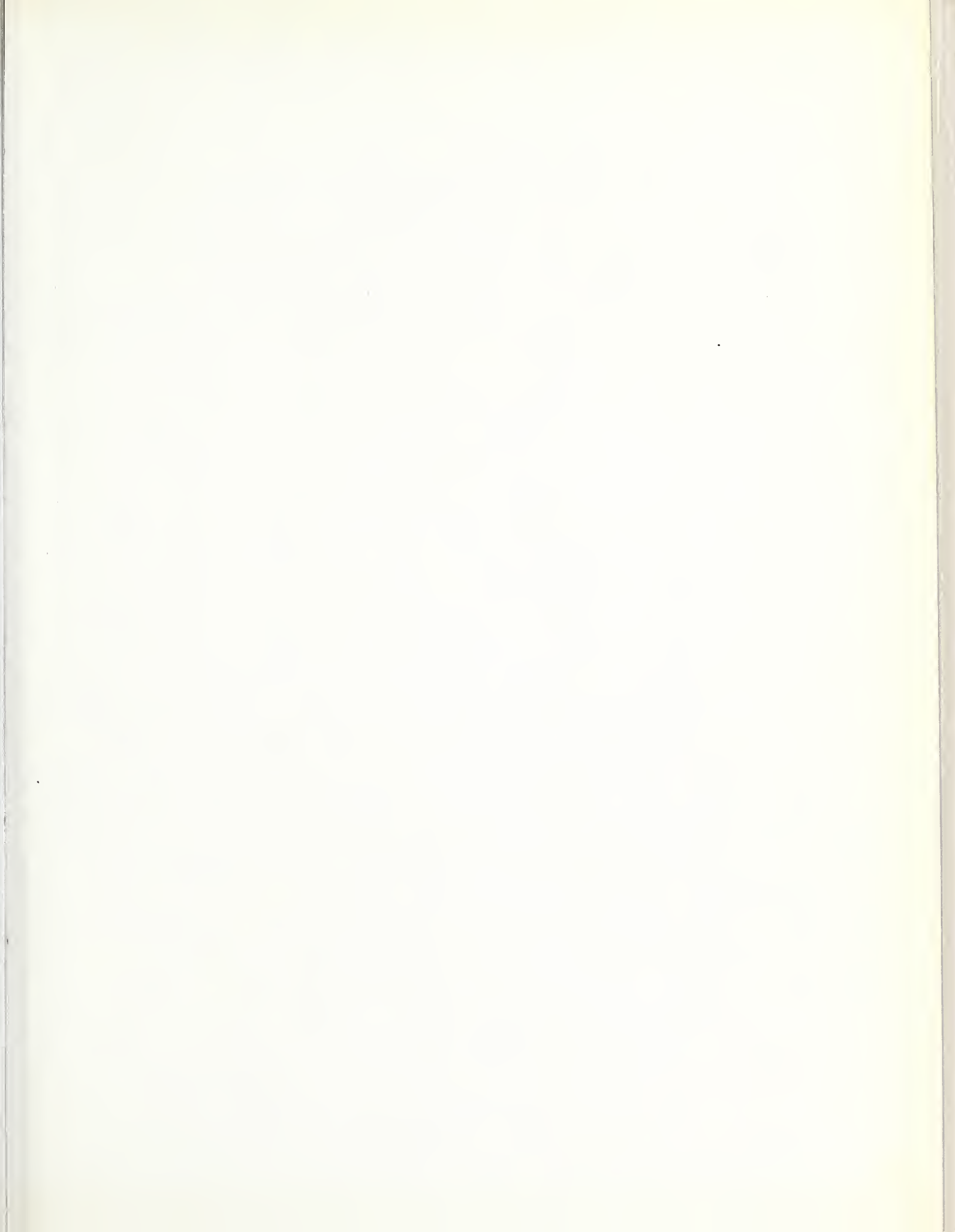










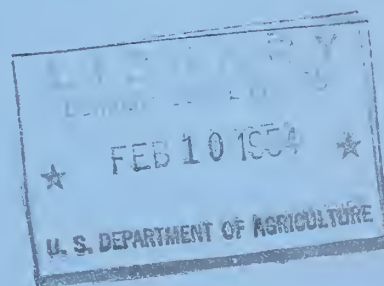






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**BUDGET ESTIMATES**  
**FOR THE**  
**UNITED STATES**  
**DEPARTMENT OF AGRICULTURE**  
**FOR THE FISCAL YEAR ENDING**  
**JUNE 30, 1955**



**A SEPARATE FROM THE BUDGET OF**  
**THE UNITED STATES GOVERNMENT**  
**1955**





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A Separate from the Budget of the United States Government  
1955



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## INTRODUCTION TO PART I

Part I of the budget (pp. A1 to A17) contains nine summary tables on Federal funds and on the public debt. Each of these tables is designed to bring together in one or two pages some overall aspect of the Federal budget.

### TYPES OF FEDERAL FUNDS

The Federal (Government-owned) funds are of four types as follows:

The *general fund* is credited with receipts which are not earmarked by law for a specific purpose, and is charged with expenditures that are payable from appropriations (except appropriations of earmarked receipts) and those payable from borrowing. Both in items and in amounts, most of the Government's business is transacted through the general fund.

*Special funds* are those which are established to account for receipts that are earmarked by law for a specific purpose. They exclude the funds which carry on a cycle of operations for which there is continuing authority to use the receipts (as described in the next paragraph). Some special funds are subject to annual appropriation by Congress. Others are automatically available under the laws which created the funds.

*Revolving funds* are those which finance a cycle of operations, in which the expenditures generate receipts which are available for continuing use. They are divided into two subcategories—those with receipts primarily from outside the Government are called *public enterprise funds*, and those with receipts primarily from inside the Government are called *intragovernmental funds*. The former include nearly all of the Government corporations, the postal fund, and various unincorporated enterprises. The latter include various funds for stocking of supplies, for printing operations, and for the performance of services to meet the Government's own needs.

*Management funds* (including *consolidated working funds*) are those which are created to permit the pooling of advance payments from two or more appropriations to carry out certain activities.

### BUDGET RECEIPTS AND EXPENDITURES

*Basis of stating budget receipts.*—Table 1 includes a summary of budget receipts. Such receipts include all money paid into the Treasury to the credit of the general fund and of special funds. Budget receipts never include money obtained from borrowing. Nor do budget receipts include receipts of revolving and management funds, since these receipts are deducted from expenditures. In those cases where the law provides an indefinite appropriation to a trust fund in an amount equal to certain tax receipts (such as for the old-age and survivors insurance trust fund and the railroad retirement account), the amount thereof is shown as a deduction from general fund receipts and excluded from general fund expenditures. Refunds of receipts are also deducted in arriving at budget receipts.

*Basis of stating budget expenditures.*—Tables 1, 4, 7, and 9 include information on budget expenditures. Such expenditures cover the general fund, the special funds, and the revolving and management funds. Net budget expenditures are on a *checks-issued* basis. This means

that expenditures are reported for the fiscal year in which the checks are issued, or (where no checks are required) the year in which payment is made in cash. Interest on the public debt, including coupon interest and the increase in the redemption value of savings bonds, is included in the year in which it becomes payable, even though the coupons or bonds may not be presented for redemption in the year. Table 1 includes an adjustment figure for the past year to bring the final total to the Daily Treasury Statement expenditure basis.

The expenditures of the general fund and the special funds are generally stated on a *gross* basis; that is, receipts are not deducted from expenditures (except for inter-agency reimbursements and some incidental reimbursements from outside the Government). In the case of intragovernmental revolving and management funds, expenditures are stated on a *net* basis; that is, their receipts (most of which come from within the Government and are therefore shown as an expenditure of the paying agency) have been deducted from expenditures of the receiving agency and only the resulting figure is shown as its expenditure.

In the case of public enterprise funds expenditures are reported on both a gross and a net basis. That is, the gross expenditures show the total sums expended, and a deduction in each of the tables indicates their receipts (other than borrowing). The gross figures used here for the public enterprise funds are derived from the business-type budget statements of part II, which show expenditures and receipts on an accrual basis with a single adjustment (on either the expenditure or receipt side but not both) for the conversion from accrual to a checks-issued basis. Therefore, the gross figures used herein for such funds are not strictly on a checks-issued basis, although the net result is on such a basis.

Retirement of Government debt, both direct debt and Government corporation debt, is always excluded from budget expenditure figures. Similarly, investments in United States Government securities (which occur sometimes in the case of Government corporations) are excluded, at par, from the expenditure figures.

*Eliminations from both receipts and expenditures.*—Certain payments from one fund to another are eliminated from budget receipts and expenditures. This is done in order to avoid inflating both sides of the budget. The payments to the general fund of earnings and dividends on capital of revolving funds, and the return of such capital to the general fund are the items which have been so excluded.

### BUDGET SURPLUS, DEFICIT, AND PUBLIC DEBT

*Budget surplus and deficit.*—The budget surplus or deficit, shown in table 1, represents the difference between the *budget receipts* and *net budget expenditures* of a given year. Cash balances, appropriation balances, and surpluses and deficits of previous years are not a part of the calculation.

*The public debt.*—The last section of table 1 summarizes and table 3 gives details regarding the effect of each year's operations upon the public debt. The budget surplus or deficit is not the only factor which causes a change in the public debt. The amount which it is necessary to borrow or which it is possible to repay is also influenced



by: changes in the Treasury cash balance, the result of trust fund transactions, the use of Government corporation borrowing directly from the public as a means of financing budget expenditures of the corporations (and vice versa in the case of direct repayments of borrowing by the corporations), and the change in the amount of checks outstanding and other items in process of clearance through the accounts.

#### BUDGET AUTHORIZATIONS

Table 2 summarizes the budget authorizations available and their disposition. Tables 5 and 6 give supplementary information on new authorizations becoming available each year, and table 8 gives supplementary information on the balances at start and end of the year.

*The obligation basis.*—Expenditures can be made only pursuant to appropriations or other authorizations granted by Congress. Government agencies are generally permitted by law to incur obligations requiring the future payment of money only when they have an appropriation or other authorization available for the purpose. Therefore, authorizations are enacted to cover *obligations* expected to be incurred within the fiscal year rather than to cover only the *expenditures* which are expected to be made during that year in payment of obligations.

*Distinction between permanent and current authorizations.*—Tables 2 and 6 distinguish *permanent* authorizations and *current* authorizations. The permanent items are those under which additional sums become available from time to time under action previously taken by the Congress; no further action is required each year. Most permanent authorizations are in force until repealed; a few are in effect for only a few years as specified in the law. The current authorizations are those enacted by Congress in or immediately preceding each fiscal year.

*Balances.*—Many budget authorizations are available for obligation for only 1 year, but some are available for longer periods of time. Even those which expire for obligation at the end of 1 year remain available for making expenditures in payment of such obligations for an additional 2 years, and further expenditures can be made later in payment of such obligations from the *certified claims* account of the Treasury. In the case of salaries and wages, travel, and like items, the lag between obligations and expenditures is usually no more than a few weeks or a few months. In the case of construction, major procurement, certain research contracts and similar items, the lag between obligations and expenditures may be as much as 1 or 2 years, and sometimes is even longer. For some revolving funds and certain other purposes, Congress has granted obligational authority well in advance of specific requirements, as a means of providing for contingencies which may arise. As a result of the foregoing factors, substantial balances of budget authorizations are carried forward from 1 year to the next. Such balances are not in the form of cash, but are bookkeeping authority for the incurring of obligations or the making of expenditures, for which cash must be provided through channels of financial management at the time the expenditures later occur.

*Relating expenditures to authorizations.*—Tables 2 and 7 summarize the relationship between budget authorizations and budget expenditures. Because old and new authorizations are by law commingled in some of the accounts, no attempt is made in the summary figures to separate actual spending in 1953 between the use of new authorizations and the use of balances. However, the budget presents such a breakdown on an estimated basis

for 1954 and 1955. In the case of revolving and management funds, it assumes that the portion of their expenditures chargeable to budget authorizations is equal to the portion of the authorizations credited to the revolving fund during the year. The remainder of the revolving and management fund expenditures (or negative expenditures) are here classified as being charges or credits to balances of such funds.

#### TYPES OF NEW OBLIGATIONAL AUTHORITY

*Appropriations* are authorizations to make expenditures from the general fund of the Treasury or from the various special funds. In some cases the authority to incur obligations has previously been granted in the form of contract authorizations; in such cases, the appropriation to permit the payment of such obligations is said to be to *liquidate contract authorizations*. In all other cases appropriations confer authority both to incur new obligations and to pay for them.

*Contract authorizations* are authorizations to incur obligations prior to the enactment of an appropriation. A contract authorization does not in itself permit the spending of money; hence it must be followed by an appropriation to permit payment of the contracts and other obligations thus incurred.

*Authorizations to expend from debt receipts* are authorizations to make expenditures from borrowed money. Such authorizations may take these forms: (a) Authorizations for the Treasury to make public debt receipts available to a given agency or enterprise, often in exchange for notes of the enterprise; (b) authorizations for a Government-owned corporation to borrow directly from the public; and (c) cancellation of notes which have been issued by a Government enterprise and are held by the Treasury, where the cancellation has the effect of permitting further expenditures to be made (through restoring previously used authority to borrow from the Treasury).

*Reappropriations and reauthorizations* are actions to continue available part or all of the unused balances of prior appropriations or authorizations which would otherwise expire. When the authorizations thus continued had been previously granted for current operations of the year, the continuation of their availability into a new year constitutes new obligational authority.

*Total new obligational authority* shown in tables 2 and 5 is the sum of the various types of authorizations named above, less the portion of appropriations which is for liquidation of prior contract authorizations. This total represents the new authority becoming available in any given year for the purposes of making commitments.

#### PROPOSED LEGISLATION AND OTHER ITEMS FOR LATER TRANSMISSION

Tables 1, 2, 4, 5, and 6 identify by separate columns the estimates of receipts, authorizations, and expenditures under legislative proposals recommended by the President, and other supplemental authorizations, and expenditures therefrom, which it is expected will be transmitted later. Table 7 identifies such items in a separate stub section. Such estimates include, in addition to the various supplemental estimates which are identified in part II, an allowance for items which cannot be foreseen now but which will be transmitted later when definite amounts can be determined and the needs can be more specifically identified. This allowance is called a *reserve for contingencies*; congressional action upon it will be requested later, not at a single time nor as a single lump-sum item, but in the form of a number of specific appropriations for individual items.



TABLE 1  
RÉSUMÉ OF BUDGET RECEIPTS, EXPENDITURES, AND PUBLIC DEBT

[Based on existing and proposed legislation. In millions]

PART A—BUDGET RECEIPTS AND EXPENDITURES

Description	1953 actual	1954 estimate			1955 estimate		
		Under exist- ing laws and authoriza- tions already enacted	Proposed for later trans- mission	Total	Under exist- ing laws and authoriza- tions en- acted or recommended	Proposed for later trans- mission	Total
<b>BUDGET RECEIPTS</b> (see Special Analysis C):							
Individual income taxes.....	\$32, 478	\$33, 433	-----	\$33, 433	\$30, 908	—\$585	\$30, 323
Corporation income and excess profits taxes.....	21, 595	22, 809	-----	22, 809	19, 694	570	20, 264
Excise taxes.....	9, 992	10, 038	\$189	10, 227	9, 221	1, 018	10, 239
Employment taxes.....	4, 998	5, 530	-----	5, 530	6, 301	116	6, 417
Estate and gift taxes.....	891	955	-----	955	955	-----	955
Customs.....	613	590	-----	590	590	-----	590
Miscellaneous receipts.....	1, 857	2, 312	-----	2, 312	2, 454	-----	2, 454
Subtotal.....	72, 424	75, 667	189	75, 856	70, 123	1, 119	71, 242
Deduct:							
Appropriations to Federal old-age and sur- vivors insurance trust fund.....	4, 086	4, 600	-----	4, 600	5, 369	100	5, 469
Appropriations to railroad retirement trust fund.....	625	640	-----	640	640	-----	640
Refunds of receipts (excluding interest).....	3, 120	2, 988	-----	2, 988	2, 644	—153	2, 491
Total budget receipts.....	64, 593	67, 439	189	67, 628	61, 470	1, 172	62, 642
<b>BUDGET EXPENDITURES</b> (see Special Analysis B):							
National security.....	50, 274	48, 721	-----	48, 721	44, 060	800	44, 860
Veterans' services and benefits.....	4, 327	3, 972	218	4, 190	4, 223	-----	4, 223
International affairs and finance.....	2, 656	2, 248	1	2, 249	1, 515	370	1, 885
Social security, welfare, and health.....	1, 910	1, 889	58	1, 947	1, 684	123	1, 807
Housing and community development.....	2, 118	2, 346	11	2, 357	1, 900	3	1, 903
Education and general research.....	277	276	2	278	217	6	223
Agriculture and agricultural resources.....	6, 448	8, 087	-----	8, 087	6, 749	3	6, 752
Natural resources.....	1, 499	1, 346	3	1, 349	1, 323	14	1, 337
Transportation and communication.....	4, 474	4, 360	86	4, 446	4, 271	6	4, 277
Finance, commerce, and industry.....	1, 205	1, 151	-----	1, 151	917	-----	917
Labor and manpower.....	284	267	-----	267	260	22	282
General government.....	1, 444	1, 171	7	1, 178	1, 121	43	1, 164
Interest.....	6, 583	6, 600	-----	6, 600	6, 875	-----	6, 875
Reserve for contingencies.....			75	75		150	150
Total budget expenditures.....	83, 499	82, 434	461	82, 895	75, 115	1, 540	76, 655
Deduct applicable receipts (see table 9) <sup>1</sup> .....	9, 225	11, 993	-----	11, 993	10, 845	240	11, 085
Adjustment to daily Treasury statement basis.....	—292		-----			-----	
Net budget expenditures.....	73, 982	70, 441	461	70, 902	64, 270	1, 300	65, 570
Budget deficit.....	9, 389		-----	3, 274		-----	2, 928

PART B—PUBLIC DEBT

Description	1953 actual	1954 estimate	1955 estimate
Public debt at beginning of year.....	\$259, 105	\$266, 071	\$269, 750
Change due to budget deficit (+).....	+9, 389	+3, 274	+2, 928
Other changes in public debt (see table 3).....	—2, 423	+405	+322
Public debt at end of year.....	266, 071	269, 750	273, 000

<sup>1</sup> Receipts of certain Government corporations, the postal service, and other revolving funds the receipts of which come primarily from outside the Government. These funds are listed in the respective chapters of part II as "Public enterprise funds."

TABLE 2  
RÉSUMÉ OF BUDGET AUTHORIZATIONS AND THEIR DISPOSITION

[Based on existing and proposed legislation. In millions]

Description	1953 enacted	1954			1955		
		Enacted	Proposed for later transmission	Total	Recommended in this document	Proposed for later transmission	Total
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>							
New obligational authority (see table 6):							
Current authorizations:							
Appropriations.....	\$72, 357	\$51, 319	\$510	\$51, 829	\$41, 862	\$5, 161	\$47, 023
Portion of appropriations to liquidate contract authorizations.....	— 3, 280	— 726	— 65	— 791	— 684		— 684
Authorizations to expend from debt receipts.....	1, 555	757	775	1, 532	280	1, 855	2, 135
Contract authorizations.....	1						
Reappropriations.....	1, 694	210		210			
Permanent authorizations:							
Appropriations.....	6, 918	6, 934		6, 934	7, 179		7, 179
Contract authorizations.....	708	708		708	10	598	608
Authorizations to expend from debt receipts.....	283	296		296	22		22
Total, new obligational authority.....	80, 236	59, 498	1, 220	60, 718	48, 669	7, 614	56, 283
Balances brought forward at start of year <sup>1</sup> (see table 8):							
Appropriations.....	68, 759	78, 699		78, 699	66, 439	49	66, 488
Authorizations to expend from debt receipts.....	21, 226	20, 087		20, 087	18, 135	775	18, 910
Contract authorizations.....	5, 511	2, 525		2, 525	2, 395	<sup>2</sup> —65	2, 330
Revolving and management funds (including U. S. Government securities held).....	3, 883	1, 409		1, 409	<sup>a</sup> 842		<sup>a</sup> 842
Other amounts available:							
Adjustment of balances upward for claims, etc. (net).....	103	135		135	135		135
Authorizations to expend from appropriations of subsequent year.....	401	394		394	322		322
Authorizations made available in prior year.....	— 602	— 401		— 401	— 394		— 394
Total, budget authorizations available.....	179, 517	162, 346	1, 220	163, 566	134, 859	8, 373	143, 232
<b>EXPENDITURES AND BALANCES</b>							
Expenditures in the year (net) (see table 7):							
Out of new obligational authority.....	} <sup>3</sup> 74, 274 }	35, 311	396	35, 707	34, 858	1, 524	36, 382
Out of appropriations to liquidate contract au- thorizations.....		698	65	763	684		684
Out of authorizations to expend from subsequent year appropriations.....		105		105	83		83
Out of balances of prior expenditure authoriza- tions.....		33, 484		33, 484	30, 998	16	31, 014
Out of balances of revolving and management funds.....		843		843	<sup>a</sup> 2, 353	<sup>a</sup> 240	<sup>a</sup> 2, 593
Total, expenditures in the year (net).....	<sup>3</sup> 74, 274	70, 441	461	70, 902	64, 270	1, 300	65, 570
Balances of authorizations and funds ceasing to be available unless reappropriated or reauthorized for the next year.....							
	2, 523	<sup>4</sup> 5, 778		<sup>4</sup> 5, 778	557		557
Balances carried forward at end of year <sup>1</sup> (see table 8):							
Appropriations.....	78, 699	66, 439	49	66, 488	50, 233	3, 916	54, 149
Authorizations to expend from debt receipts.....	20, 087	18, 135	775	18, 910	16, 931	2, 624	19, 555
Contract authorizations.....	2, 525	2, 395	<sup>2</sup> — 65	2, 330	1, 686	<sup>2</sup> 533	2, 219
Revolving and management funds (including U. S. Government securities held).....	1, 409	<sup>a</sup> 842		<sup>a</sup> 842	1, 182		1, 182
Total, expenditures and balances (net).....	179, 517	162, 346	1, 220	163, 566	134, 859	8, 373	143, 232

<sup>a</sup> Deduct.

<sup>1</sup> Balances forwarded are divided as follows: Obligated—July 1, 1952, \$69,702; 1953, \$68,521; 1954, \$59,453; 1955, \$52,834; and unobligated—July 1, 1952, \$29,677; 1953, \$34,199; 1954, \$27,433; and 1955, \$24,271.

<sup>2</sup> Reflects obligations of \$65 million under previously granted contract authorization for which appropriations to liquidate are proposed for later transmission.

<sup>3</sup> Excludes adjustment to daily Treasury statement in the amount of —\$292 million.

<sup>4</sup> Includes \$681 million of unobligated appropriations for the "Mutual military program," to be continued available under proposed legislation.



**TABLE 3**  
**EFFECT OF FINANCIAL OPERATIONS ON THE PUBLIC DEBT**

*Based on existing and proposed legislation*

[In millions]

Description	1953 actual	1954 estimate	1955 estimate
<b>Effect of operations on increasing (+) or decreasing (—) public debt held by the public:</b>			
Budget surplus (—) or deficit (+) (from table 1).....	+\$9,389	+\$3,274	+\$2,928
Excess of trust receipts over expenditures (—) (from table 10) ..	-3,643	-2,691	-2,664
Issue (—) or redemption (+) of Government corporation debt to the public (from special analysis I).....	+59	-72	-39
Change in Treasury cash balance, increase (+) or decrease (—) ..	-2,299	+280	-----
Change in clearing account for outstanding checks, etc., increase (—) or decrease (+).....	+312	+7	-19
Total, increase (+) or decrease (—) in public debt held by the public.....	+3,818	+798	+206
<b>Effect of borrowing from (+) or repayment to (—) Government trust funds and investment accounts:</b>			
Trust funds (from special analysis I).....	+3,068	+2,878	+2,979
Government-owned corporations and enterprises (from special analysis I).....	+80	+3	+65
Total, increase (+) or decrease (—) in public debt held by Government trust funds and investment accounts....	+3,148	+2,881	+3,044
<b>Net increase (+) or decrease (—) in public debt.....</b>	<b>+6,966</b>	<b>+3,679</b>	<b>+3,250</b>
<b>Public debt at beginning of year.....</b>	<b>259,105</b>	<b>266,071</b>	<b>269,750</b>
<b>Net increase (+) or decrease (—) in public debt.....</b>	<b>+6,966</b>	<b>+3,679</b>	<b>+3,250</b>
<b>Public debt at end of year.....</b>	<b>266,071</b>	<b><sup>1</sup>269,750</b>	<b><sup>1</sup>273,000</b>

NOTE.—Change in Treasury cash balance reflected above is computed as follows:

	1953	1954	1955
Beginning of year.....	\$6,969	\$4,670	\$4,950
End of year.....	4,670	4,950	4,950
Increase (+) or decrease (—) ..	-2,299	+280	-----

<sup>1</sup> Because of wide swings in receipts and expenditures and the heavy concentration of taxes in the latter half of the fiscal year, there will be periods during the year when the public debt will be considerably greater than this amount.

TABLE 4  
SUMMARY OF BUDGET EXPENDITURES

BY AGENCY

Based on existing and proposed legislation

[In millions]

Agency	1953 actual	1954 estimate			1955 estimate		
		Under authorizations already enacted	Proposed for later transmission	Total	Under authorizations enacted or recommended in this document	Proposed for later transmission	Total
Legislative branch.....	\$61	\$63	-----	\$63	\$66	-----	\$66
The Judiciary.....	27	29	( <sup>b</sup> )	29	29	\$1	30
Executive Office of the President.....	9	10	-----	10	9	-----	9
Funds appropriated to the President:							
Mutual security.....	1, 699	1, 264	-----	1, 264	661	300	961
Other.....	432	620	\$1	621	661	( <sup>b</sup> )	661
Independent offices:							
Atomic Energy Commission.....	1, 791	2, 200	-----	2, 200	2, 425	-----	2, 425
Civil Service Commission.....	346	51	-----	51	48	-----	48
Economic Stabilization Agency.....	64	2	-----	2	-----	-----	-----
Export-Import Bank of Washington.....	553	549	-----	549	474	-----	474
Federal Civil Defense Administration.....	77	74	-----	74	67	-----	67
Railroad Retirement Board.....	33	35	-----	35	-----	-----	-----
Reconstruction Finance Corporation.....	516	349	-----	349	270	-----	270
Tennessee Valley Authority.....	316	366	-----	366	440	-----	440
Veterans Administration.....	4, 384	4, 033	218	4, 251	4, 235	-----	4, 235
Other.....	2, 154	2, 326	( <sup>b</sup> )	2, 326	2, 496	( <sup>b</sup> )	2, 496
General Services Administration.....	1, 108	939	-----	939	753	-----	753
Housing and Home Finance Agency.....	1, 894	2, 095	11	2, 106	1, 709	3	1, 712
Department of Agriculture.....	4, 710	6, 362	3	6, 365	4, 757	3	4, 760
Department of Commerce.....	1, 198	1, 064	85	1, 149	1, 028	-----	1, 028
Department of Defense—Military Functions.....	47, 565	45, 750	-----	45, 750	41, 050	800	41, 850
Department of Defense—Civil Functions.....	945	736	1	737	643	11	654
Department of Health, Education, and Welfare.....	1, 920	1, 892	59	1, 951	1, 660	129	1, 789
Department of the Interior.....	623	582	1	583	554	8	562
Department of Justice.....	171	184	( <sup>b</sup> )	184	176	( <sup>b</sup> )	176
Department of Labor.....	303	301	( <sup>b</sup> )	301	315	47	362
Post Office Department.....	2, 775	2, 774	-----	2, 774	2, 775	-----	2, 775
Department of State.....	271	159	-----	159	144	70	214
Treasury Department.....	7, 542	7, 609	7	7, 616	7, 650	3	7, 653
District of Columbia (general fund).....	12	16	-----	16	20	15	35
Reserve for contingencies.....	-----	-----	75	75	-----	150	150
Total budget expenditures.....	83, 499	82, 434	461	82, 895	75, 115	1, 540	76, 655
Deduct:							
Applicable receipts <sup>1</sup> .....	9, 225	11, 993	-----	11, 993	10, 845	<sup>d</sup> 240	11, 085
Adjustment to daily Treasury statement basis.....	292	-----	-----	-----	-----	-----	-----
Net budget expenditures.....	73, 982	70, 441	461	70, 902	64, 270	1, 300	65, 570

<sup>b</sup> Less than ¼ million.

<sup>d</sup> Deduct, proposed postal rate increase.

<sup>1</sup> Receipts of certain Government corporations, the postal service, and other revolving funds the receipts of which come primarily from outside the Government. These funds are listed in the respective chapters of part II as "Public enterprise funds."

**TABLE 5**  
**SUMMARY OF NEW OBLIGATIONAL AUTHORITY**  
**BY AGENCY**

*Based on existing and proposed legislation*

[In millions]

Agency	1953 enacted	1954			1955		
		Enacted	Proposed for later transmission	Total	Recommended in this document	Proposed for later transmission	Total
Legislative branch.....	\$76	\$83		\$83	\$67		\$67
The Judiciary.....	28	28	\$1	29	30		30
Executive Office of the President.....	9	9		9	9		9
Funds appropriated to the President:							
Mutual security.....	1, 907	726		726		\$875	875
Other.....	1	204	2	206	10	300	310
Independent offices:							
Atomic Energy Commission.....	4, 079	1, 042		1, 042	1, 366		1, 366
Civil Service Commission.....	344	52		52	49		49
Economic Stabilization Agency.....	60	1		1			
Export-Import Bank of Washington.....							
Federal Civil Defense Administration.....	43	47		47	86		86
Railroad Retirement Board.....	33	35		35			
Reconstruction Finance Corporation.....							
Tennessee Valley Authority.....	336	189		189	142		142
Veterans Administration.....	4, 191	4, 055	218	4, 273	3, 893		3, 893
Other.....	234	341	( <sup>b</sup> )	341	315		315
General Services Administration.....	317	163		163	155		155
Housing and Home Finance Agency.....	1, 357	433	21	454	85		85
Department of Agriculture.....	1, 510	1, 721	778	2, 499	1, 182	1, 753	2, 935
Department of Commerce.....	911	962	20	982	375	598	973
Department of Defense—Military Functions.....	53, 012	38, 295		38, 295	29, 885	3, 608	33, 493
Department of Defense—Civil Functions.....	598	504	1	505	470	110	580
Department of Health, Education, and Welfare.....	1, 934	1, 797	66	1, 863	1, 600	206	1, 806
Department of the Interior.....	590	496	3	499	483	5	488
Department of Justice.....	173	179	( <sup>b</sup> )	179	178		178
Department of Labor.....	295	298	1	299	341	47	388
Post Office Department.....	660	439		439	329	<sup>d</sup> 240	89
Department of State.....	241	142		142	134	135	269
Treasury Department.....	7, 279	7, 241	9	7, 250	7, 471		7, 471
District of Columbia (general fund).....	18	16		16	14	17	31
Reserve for contingencies.....			100	100		200	200
<b>Total new obligational authority.....</b>	<b>80, 236</b>	<b>59, 498</b>	<b>1, 220</b>	<b>60, 718</b>	<b>48, 669</b>	<b>7, 614</b>	<b>56, 283</b>

<sup>b</sup> Less than ¼ million.

<sup>d</sup> Deduct, proposed postal rate increase.



**TABLE 6**  
**SUMMARY OF BUDGET AUTHORIZATIONS**  
**BY TYPE OF AUTHORIZATIONS AND AGENCY**  
*Based on existing and proposed legislation*

Description	1953 enacted	1954			1955		
		Enacted	Proposed for later trans- mission	Total	Recommended in this document	Proposed for later trans- mission	Total
CURRENT AUTHORIZATIONS							
Appropriations:							
Legislative branch.....	\$79,029,066	\$70,221,131		\$70,221,131	\$69,887,606		\$69,887,606
The Judiciary.....	28,192,252	28,474,420	\$481,500	28,955,920	29,761,055		29,761,055
Executive Office of the President.....	9,324,607	9,316,400		9,316,400	9,007,200		9,007,200
Funds appropriated to the President.....	1,907,363,250	929,806,827	1,560,000	931,366,827	10,175,000	\$1,175,000,000	1,185,175,000
Independent offices.....	9,272,847,643	5,645,755,957	218,522,000	5,864,277,957	5,827,567,400		5,827,567,400
General Services Administration.....	384,863,335	163,056,770		163,056,770	187,300,000		187,300,000
Housing and Home Finance Agency.....	104,486,000	62,665,550	20,800,000	83,465,550	118,900,000		118,900,000
Department of Agriculture.....	736,179,832	856,389,739	3,000,000	859,389,739	696,888,813	3,000,000	699,888,813
Department of Commerce.....	1,001,093,636	929,295,175	85,000,000	1,014,295,175	930,797,000		930,797,000
Department of Defense—Military Functions.....	53,637,441,995	38,181,340,000		38,181,340,000	29,924,000,000	3,608,000,000	33,532,000,000
Department of Defense—Civil Functions.....	594,998,373	502,693,600	800,000	503,493,600	469,210,000	5,000,000	474,210,000
Department of Health, Education, and Welfare.....	1,987,193,152	1,809,484,261	66,000,000	1,875,484,261	1,590,654,500	206,200,000	1,796,854,500
Department of the Interior.....	549,049,981	439,100,875	3,200,000	442,300,875	424,780,930	5,500,000	430,280,930
Department of Justice.....	174,137,000	178,880,000	330,000	179,210,000	177,732,000		177,732,000
Department of Labor.....	294,557,524	298,555,000	550,000	299,105,000	340,635,000	47,100,000	387,735,000
Post Office Department.....	660,121,483	439,349,182		439,349,182	329,032,000	4 240,000,000	89,032,000
Department of State.....	238,159,174	134,722,194		134,722,194	131,691,960	135,000,000	266,691,960
Treasury Department.....	679,686,600	624,377,223	9,400,000	633,777,223	578,783,000		578,783,000
District of Columbia (general fund).....	17,900,000	16,000,000		16,000,000	14,500,000	16,992,000	31,492,000
Reserve for contingencies.....			100,000,000	100,000,000		200,000,000	200,000,000
Total appropriations, excluding refunds of receipts.....	72,356,624,903	51,319,484,304	509,643,500	51,829,127,804	41,861,303,464	5,161,792,000	47,023,095,464
Deduct portion of appropriations for liquidation of prior contract authorizations:							
Legislative branch.....	3,000,000	1,000,000		1,000,000	2,500,000		2,500,000
Independent offices.....	117,000,000	25,385,664		25,385,664			
General Services Administration.....	70,000,000				32,100,000		32,100,000
Housing and Home Finance Agency.....	8,000,000	20,000,000		20,000,000	39,000,000		39,000,000
Department of Commerce.....	698,641,499	575,661,925	65,000,000	640,661,925	565,115,000		565,115,000
Department of Defense—Military Functions.....	2,307,680,770	80,454,000		80,454,000	45,000,000		45,000,000
Department of Health, Education, and Welfare.....	63,991,779	22,200,000		22,200,000	250,000		250,000
Department of the Interior.....	10,673,400	1,500,000		1,500,000			
Department of Justice.....	700,000						
Total app-opriations for liquidation of prior contract authorizations.....	3,279,687,448	726,201,589	65,000,000	791,201,589	683,965,000		683,965,000
Total appropriations which provide new obligational authority.....	69,076,937,455	50,593,282,715	444,643,500	51,037,926,215	41,177,338,464	5,161,792,000	46,339,130,464
Authorizations to expend from public debt receipts:							
Independent offices.....	92,090,023	98,000,000		98,000,000			
Housing and Home Finance Agency.....	903,383,339				4,651,922		4,651,922
Department of Agriculture.....	559,293,936	659,503,131	774,954,762	1,434,457,893	275,500,000	1,750,000,000	2,025,500,000
Department of Defense—Civil Functions.....						105,000,000	105,000,000
Total authorizations to expend from public debt receipts.....	1,554,767,298	757,503,131	774,954,762	1,532,457,893	280,151,922	1,855,000,000	2,135,151,922
Contract authorizations: Department of Health, Education, and Welfare.....	670,986	421,200		421,200			

4 Deduct, proposed postal rate increase.



TABLE 6—Continued

SUMMARY OF BUDGET AUTHORIZATIONS—Continued

BY TYPE OF AUTHORIZATIONS AND AGENCY—Continued

Description	1953 enacted	1954			1955		
		Enacted	Proposed for later transmission	Total	Recommended in this document	Proposed for later transmission	Total
CURRENT AUTHORIZATIONS—Continued							
Reappropriations:							
Legislative branch.....	\$99,000	\$14,133,255		\$14,133,255			
Executive Office of the President.....	25,500	27,000		27,000			
Funds appropriated to the President.....	1,000,000	444,134		444,134			
Independent offices.....	12,520,000	1,369,000		1,369,000			
General Services Administration.....	1,657,793						
Department of Agriculture.....	396,934	530,818		530,818			
Department of Commerce.....	1,200,000	810,000		810,000			
Department of Defense—Military Functions.....	1,674,275,240	188,456,000		188,456,000			
Department of Defense—Civil Functions.....	2,554,744						
Department of State.....	195,705	3,970,765		3,970,765			
Total reappropriations.....	1,693,924,916	209,740,972		209,740,972			
Total new obligational authority under current authorization.....	72,326,300,655	51,560,948,018	\$1,219,598,262	52,780,546,280	\$11,457,490,386	\$7,016,792,000	\$48,474,282,386
PERMANENT AUTHORIZATIONS							
Appropriations:							
Independent offices.....	33,825,430	35,659,940		35,659,940	764,540		764,540
Department of Agriculture.....	213,641,777	204,416,554		204,416,554	209,895,587		209,895,587
Department of Defense—Military Functions.....	7,666,347	6,000,000		6,000,000	6,000,000		6,000,000
Department of Defense—Civil Functions.....	180,494	1,013,453		1,013,453	1,061,500		1,061,500
Department of Health, Education, and Welfare.....	9,700,123	9,688,331		9,688,331	9,688,331		9,688,331
Department of the Interior.....	51,827,156	58,124,440		58,124,440	57,735,229		57,735,229
Department of State.....	2,603,279	3,118,226		3,118,226	1,917,530		1,917,530
Treasury Department.....	6,599,089,546	6,616,428,909		6,616,428,909	6,892,113,845		6,892,113,845
Total appropriations, excluding refunds of receipts.....	6,918,534,152	6,934,449,853		6,934,449,853	7,179,176,562		7,179,176,562
Authorizations to expend from debt receipts:							
Authorization to expend from public debt receipts: Housing and Home Finance Agency.....	250,000,000	250,000,000		250,000,000			
Authorizations to expend from corporate debt receipts:							
Independent offices.....	26,001,000	5,588,000		5,588,000	22,448,000		22,448,000
Housing and Home Finance Agency.....	7,347,150	40,393,250		40,393,250			
Total authorizations to expend from corporate debt receipts.....	33,348,150	45,981,250		45,981,250	22,448,000		22,448,000
Total authorizations to expend from debt receipts.....	283,348,150	295,981,250		295,981,250	22,448,000		22,448,000
Contract authorizations:							
Housing and Home Finance Agency.....	100,000,000	100,000,000		100,000,000			
Department of Commerce.....	607,500,000	607,500,000		607,500,000	10,000,000	\$597,500,000	607,500,000
Total contract authorizations.....	707,500,000	707,500,000		707,500,000	10,000,000	597,500,000	607,500,000
Total new obligational authority under permanent authorizations.....	7,909,382,302	7,937,931,103		7,937,931,103	7,211,624,562		7,809,124,562
Grand total new obligational authority.....	80,235,682,957	59,498,879,121	1,219,598,262	60,718,477,383	48,669,114,948	7,614,292,000	56,283,406,948

TABLE 7  
SUMMARY OF BUDGET EXPENDITURES—IN RELATION TO AUTHORIZATIONS  
BY AGENCY

*Based on existing and proposed legislation*

Description	1953 actual	1954 estimate					Total
		Expenditures from new authorizations			Other expenditures		
		From new ohligational authority		From appropriations to liquidate	From balances of prior authorizations	From receipts and balances of revolving and management funds	
		Current	Permanent				
FROM AUTHORIZATIONS ALREADY ENACTED AND RECOMMENDED IN THIS DOCUMENT							
Legislative hranch.....	\$60,849,479	\$74,118,592			\$8,097,577	* \$18,847,961	\$63,368,208
The Judiciary.....	27,428,096	27,413,520			1,233,352		28,646,872
Executive Office of the President.....	8,935,507	9,250,959			916,081	55,602	10,222,642
Funds appropriated to the President.....	2,131,103,752	368,550,161			1,335,107,487	180,806,731	1,884,464,379
Independent offices.....	10,234,114,471	4,545,483,058	\$35,627,442	\$23,484,473	2,400,984,792	2,978,724,957	9,984,304,722
General Services Administration.....	1,108,509,799	159,490,983			786,403,602	* 6,874,686	939,019,899
Housing and Home Finance Agency.....	1,893,674,360	82,732,250		20,000,000	* 57,639,882	2,049,839,140	2,094,931,508
Department of Agriculture.....	4,710,179,441	965,531,917	197,626,383		1,793,485,205	3,405,360,730	6,362,004,235
Department of Commerce.....	1,197,812,860	306,811,439		552,961,925	138,307,339	65,446,704	1,063,527,407
Department of Defense—Military Functions.....	47,564,611,612	18,105,784,045	3,645,908	80,454,000	26,158,938,193	1,401,627,854	45,750,450,000
Department of Defense—Civil Functions.....	944,982,150	317,182,314	1,003,453		327,014,756	91,028,404	736,228,927
Department of Health, Education, and Welfare.....	1,919,861,681	1,621,766,698	9,688,331	20,505,881	237,675,303	1,808,110	1,891,444,323
Department of the Interior.....	623,454,012	* 328,308,657	34,939,528	1,000,000	184,307,143	33,832,240	582,387,568
Department of Justice.....	170,651,252	162,050,171			24,109,921	* 2,434,933	183,725,159
Department of Labor.....	303,017,628	* 294,559,635			3,397,413	2,628,223	300,585,271
Post Office Department.....	2,775,345,941	439,349,182				2,335,330,488	2,774,679,670
Department of State.....	271,062,272	125,598,000	530,000		32,643,016	425,000	159,196,016
Treasury Department.....	7,541,894,682	567,342,376	6,616,352,566		108,584,824	317,221,654	7,609,501,420
District of Columbia (general fund).....	11,750,000	15,040,000			460,000		15,500,000
Total budget expenditures.....	83,499,238,995	28,516,363,957	6,899,413,611	698,406,279	33,484,026,122	12,835,978,257	82,434,188,226
Deduct applicable receipts *.....	9,224,981,511					11,992,714,538	11,992,714,538
Net budget expenditures from authorizations enacted or recommended.....	74,274,257,484	28,516,363,957	6,899,413,611	698,406,279	33,484,026,122	843,263,719	70,441,473,688
FROM AUTHORIZATIONS PROPOSED FOR LATER TRANSMISSION							
The Judiciary.....		137,000					137,000
Funds appropriated to the President.....		1,200,000					1,200,000
Independent offices.....		218,383,000					218,383,000
Housing and Home Finance Agency.....		10,800,000					10,800,000
Department of Agriculture.....		2,500,000					2,500,000
Department of Commerce.....		20,000,000		65,000,000			85,000,000
Department of Defense—Military Functions.....							
Department of Defense—Civil Functions.....		500,000					500,000
Department of Health, Education, and Welfare.....		59,500,000					59,500,000
Department of the Interior.....		500,000					500,000
Department of Justice.....		240,000					240,000
Department of Labor.....		431,000					431,000
Department of State.....							
Treasury Department.....		6,797,602					6,797,602
District of Columbia (general fund).....							
Reserve for contingencies.....		75,000,000					75,000,000
Total budget expenditnres from authorizations proposed for later transmission.....		395,988,602		65,000,000			460,988,602
Deduct applicable receipts proposed for later transmission: Post Office Department.....							
Net budget expenditures from anuthorizations proposed for later transmission.....		395,988,602		65,000,000			460,988,602
Adjustment to daily Treasury statement basis.....	—291,922,457						
Net budget expenditures.....	73,982,335,027	28,912,352,559	6,899,413,611	763,406,279	33,484,026,122	843,263,719	70,902,462,290

\* Deduct, excess of repayments and collections over expenditures.

1 Includes authorization to expend from subsequent year appropriation in the amount of \$60,000,000.

2 Includes authorization to expend from subsequent year appropriation in 1954, \$655,530 and 1955, \$300,000.

3 Includes authorization to expend from subsequent year appropriation in the amount of \$44,195,000.

4 Receipts of certain Government corporations, the postal service, and other revolving funds the receipts of which come primarily from outside the Government. These funds are listed in the respective chapters of part II as "Public enterprise funds."



TABLE 7  
SUMMARY OF BUDGET EXPENDITURES—IN RELATION TO AUTHORIZATIONS  
BY AGENCY

*Based on existing and proposed legislation*

1955 estimate						Description
Expenditures from new authorizations			Other expenditures		Total	
From new obligational authority		From appropriations to liquidate	From balances of prior authorizations	From receipts and balances of revolving and management funds		
Current	Permanent					
FROM AUTHORIZATIONS ALREADY ENACTED AND RECOMMENDED IN THIS DOCUMENT						
\$58,734,426		\$2,500,000	\$7,364,908	• \$2,211,360	\$66,387,974	Legislative branch
28,104,855			1,060,500		29,165,355	The Judiciary
8,242,260			609,208		8,851,468	Executive Office of the President
8,580,000			1,074,842,999	239,033,894	1,322,456,893	Funds appropriated to the President
4,774,114,796	\$723,161		2,273,648,360	3,406,342,082	10,454,828,399	Independent offices
154,055,263		32,100,000	566,923,980	79,237	753,158,480	General Services Administration
79,506,000		39,000,000	• 332,706,763	1,923,458,482	1,709,257,719	Housing and Home Finance Agency
773,172,332	203,295,187		1,538,401,711	2,241,785,854	4,756,655,084	Department of Agriculture
341,146,153		565,115,000	85,022,083	37,037,056	1,028,320,292	Department of Commerce
18,009,105,659	3,645,908	45,000,000	25,008,648,433	• 2,015,992,500	41,050,407,500	Department of Defense—Military Functions
330,118,214	1,052,000		200,190,286	111,532,407	642,892,907	Department of Defense—Civil Functions
1,468,168,363	9,688,331	250,000	179,326,363	1,739,258	1,659,172,315	Department of Health, Education, and Welfare
• 308,421,717	38,827,065		175,095,898	31,436,146	553,780,826	Department of the Interior
162,759,556			15,577,696	• 2,123,500	176,213,752	Department of Justice
• 310,366,217			1,961,351	2,265,501	314,593,069	Department of Labor
329,032,000				2,446,050,300	2,775,082,300	Post Office Department
110,672,000	530,000		32,631,000	300,000	144,133,000	Department of State
525,134,128	6,892,039,687		162,339,520	70,922,720	7,650,436,055	Treasury Department
12,000,000			7,535,000		19,535,000	District of Columbia (general fund)
27,791,433,939	7,149,801,339	683,965,000	30,998,472,533	8,491,655,577	75,115,328,388	Total budget expenditures
				10,845,130,917	10,845,130,917	Deduct applicable receipts <sup>4</sup>
27,791,433,939	7,149,801,339	683,965,000	30,998,472,533	• 2,353,475,340	64,270,197,471	Net budget expenditures from authorizations enacted or recommended.
FROM AUTHORIZATIONS PROPOSED FOR LATER TRANSMISSION						
			337,500		337,500	The Judiciary
300,000,000			360,000		300,360,000	Funds appropriated to the President
			133,000		133,000	Independent offices
			3,000,000		3,000,000	Housing and Home Finance Agency
2,400,000			500,000		2,900,000	Department of Agriculture
						Department of Commerce
800,000,000					800,000,000	Department of Defense—Military Functions
10,800,000			300,000		11,100,000	Department of Defense—Civil Functions
123,000,000			6,350,000		129,350,000	Department of Health, Education, and Welfare
5,400,000			2,500,000		7,900,000	Department of the Interior
			90,000		90,000	Department of Justice
47,050,000			109,000		47,159,000	Department of Labor
70,000,000					70,000,000	Department of State
			2,602,398		2,602,398	Treasury Department
15,010,000					15,010,000	District of Columbia (general fund)
150,000,000					150,000,000	Reserve for contingencies
1,523,660,000			16,281,898		1,539,941,898	Total budget expenditures from authorizations proposed for later transmission.
				240,000,000	240,000,000	Deduct applicable receipts proposed for later transmission: Post Office Department.
1,523,660,000			16,281,898	• 240,000,000	1,299,941,898	Net budget expenditures from authorizations proposed for later transmission.
Adjustment to daily Treasury statement basis						
29,315,093,939	7,149,801,339	683,965,000	31,014,754,431	• 2,593,475,340	65,570,139,369	Net budget expenditures

• Deduct, excess of repayments and collections over expenditures.

<sup>4</sup> Deduct, proposed postal rate increase.

<sup>1</sup> Includes authorization to expend from subsequent year appropriation in the amount of \$60,000,000.

<sup>2</sup> Includes authorization to expend from subsequent year appropriation in 1954, \$655,530 and 1955, \$800,000.

<sup>3</sup> Receipts of certain Government corporations, the postal service, and other revolving funds the receipts of which come primarily from outside the Government. These funds are listed in the respective chapters of part II as "Public enterprise funds."

<sup>4</sup> Includes authorization to expend from subsequent year appropriation in the amount of \$22,000,000.

**TABLE 8**  
**BALANCES AVAILABLE AT START OF YEAR**

**BY TYPE AND AGENCY**

*Based on existing and proposed legislation*

Description	1953 actual		1954 actual		1955 estimate		1956 estimate	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
<b>BALANCES OF PRIOR AUTHORIZATIONS FOR EXPENDITURE</b>								
<b>Appropriations enacted or recommended:</b>								
Legislative branch.....	\$638,102	\$152,981	\$4,573,393	\$831,192	\$6,435,310	\$89,416	\$6,618,428	\$89,416
The Judiciary.....	1,176,323		1,231,566	8,786	1,060,500		1,656,200	
Executive Office of the President.....	858,917	216,689	735,149	204,092	714,423		870,155	
Funds appropriated to the President.....	1,199,876,192	173,238,636	1,353,226,538	219,384,273	1,185,229,575	21,688,278	436,297,267	10,685,459
Independent offices.....	1,705,431,676	511,168,492	3,357,421,881	993,989,105	2,882,433,413	408,924,295	1,869,599,102	117,687,829
General Services Administration.....	2,030,056,332	582,762,260	1,425,143,136	459,022,370	865,605,434	235,256,536	530,319,917	4,762,810
Housing and Home Finance Agency.....	17,595,503	46,123,560	20,612,622	56,680,826	473,372	9,000,000	520,550	9,000,000
Department of Agriculture.....	162,373,053	249,406,012	133,047,152	357,054,947	150,947,460	245,331,357	147,599,524	179,091,963
Department of Commerce.....	98,313,161	76,500,193	94,309,232	24,881,717	78,184,719	12,906,445	46,139,084	6,030,445
Department of Defense—Military Functions.....	54,372,792,785	5,832,195,550	57,324,353,550	11,303,733,692	50,641,951,703	8,499,402,139	42,526,464,305	3,367,325,173
Department of Defense—Civil Functions.....	384,240,952	283,529,008	241,089,294	161,587,959	202,595,856	51,521,551	175,984,115	17,044,292
Department of Health, Education, and Welfare.....	349,831,914	113,867,078	430,870,220	185,074,118	525,035,158	20,931,299	426,997,972	14,434,278
Department of the Interior.....	184,744,501	112,781,766	189,768,359	117,214,594	215,480,321	37,880,015	195,344,828	18,011,653
Department of Justice.....	24,566,748	723,646	23,992,765	847,646	15,843,618	194,000	15,432,366	
Department of Labor.....	8,773,620	2,394,000	2,396,029	8,046,903	4,317,597		10,430,029	
Department of State.....	113,766,212	23,597,999	63,811,069	34,465,562	39,402,090	8,695,306	32,471,026	4,102,860
Treasury Department.....	83,917,866	5,845,644	87,688,116	9,041,796	59,055,279	504,932	54,123,517	67,704
District of Columbia (general fund).....		6,530,000	460,000	12,220,000	11,683,000	1,497,000	7,932,000	213,000
<b>Total balances of appropriations enacted or recommended.....</b>	<b>60,737,680,653</b>	<b>8,021,033,514</b>	<b>64,754,730,071</b>	<b>13,944,289,578</b>	<b>56,886,448,828</b>	<b>9,553,822,569</b>	<b>46,484,800,385</b>	<b>3,748,546,882</b>
<b>Appropriations for later transmission:</b>								
The Judiciary.....					344,500		7,000	
Funds appropriated to the President.....					360,000		575,000,000	300,000,000
Independent Offices.....					139,000		6,000	
Housing and Home Finance Agency.....					10,000,000		7,000,000	
Department of Agriculture.....					500,000		600,000	
Department of Defense—Military Functions.....							2,808,000,000	
Department of Defense—Civil Functions.....					300,000			
Department of Health, Education, and Welfare.....					6,100,000	400,000	41,300,000	42,050,000
Department of the Interior.....					2,700,000		300,000	
Department of Justice.....					90,000			
Department of Labor.....					119,000		60,000	
Department of State.....							65,000,000	
Treasury Department.....					2,602,398			
District of Columbia (general fund).....							1,982,000	
<b>Total balances of appropriations for later transmission.....</b>					<b>23,254,898</b>	<b>400,000</b>	<b>3,499,255,000</b>	<b>342,050,000</b>
<b>Grand total, balances of appropriations.....</b>	<b>60,737,680,653</b>	<b>8,021,033,514</b>	<b>64,754,730,071</b>	<b>13,944,289,578</b>	<b>56,909,703,726</b>	<b>9,554,222,569</b>	<b>49,984,055,385</b>	<b>4,090,596,882</b>
<b>Authorizations to expend from debt receipts:</b>								
Funds appropriated to the President.....	1,361,860,128	601,394,283	1,154,519,482	747,151,060	893,781,619	594,203,040	661,066,788	510,403,317
Independent offices.....	951,101,225	5,186,209,675	824,336,919	5,269,366,881	772,336,919	5,185,791,581	834,436,919	5,228,741,581
Housing and Home Finance Agency.....	286,650,683	3,838,956,556	634,820,348	4,201,279,348	726,659,997	4,415,928,842	392,562,508	5,074,206,232
Department of Agriculture.....	760,347,957	4,753,597,678	1,285,092,142	2,446,118,232	2,476,770,671	83,196,941	1,291,455,909	5,511,703
Department of Defense—Civil Functions.....		150,000,000		150,000,000		150,000,000		150,000,000
Treasury Department.....	224,364,993	3,111,558,502	131,904,204	3,242,192,506	52,318,733	2,783,350,000	680,000	2,782,620,000
<b>Total balances of authorizations to expend from debt receipts.....</b>	<b>3,584,324,986</b>	<b>17,641,716,694</b>	<b>4,030,673,095</b>	<b>16,056,108,027</b>	<b>4,921,867,939</b>	<b>13,212,470,404</b>	<b>3,180,202,124</b>	<b>13,751,482,833</b>

• Deduct, excess of receivables over obligations.



**TABLE 8—Continued**  
**BALANCES AVAILABLE AT START OF YEAR—Continued**  
**BY TYPE AND AGENCY**

Description	1953 actual		1954 actual		1955 estimate		1956 estimate	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
<b>BALANCES OF PRIOR AUTHORIZATIONS FOR EXPENDITURE—Continued</b>								
<b>Authorizations to expend from debt receipts for later transmission:</b>								
Department of Agriculture.....						\$774,954,762	\$663,524,762	\$1,861,430,000
Department of Defense—Civil Functions.....								99,200,000
Total authorizations to expend from debt receipts for later transmission.....						774,954,762	663,524,762	1,960,630,000
Grand total balances of authorizations to expend from debt receipts.....	\$3,584,324,986	\$17,641,716,694	\$4,030,673,095	\$16,056,108,027	\$4,921,867,939	13,987,425,166	3,843,726,886	15,712,112,833
<b>BALANCES OF CONTRACT AUTHORIZATIONS</b>								
Legislative branch.....	7,041,662	28,135,424	4,008,231	25,204,636	5,058,938	21,256,817	2,315,840	19,716,817
Independent offices.....	92,765,151		29,101,521		1,901,191		301,191	
General Services Administration.....	155,000,000	52,875,000	85,000,000	19,500,000	55,000,000	19,500,000	40,200,000	2,200,000
Housing and Home Finance Agency.....	25,007,657	274,992,343	70,392,143	321,607,857	125,992,143	346,007,857	168,592,143	264,407,857
Department of Commerce.....	1,101,654,183	731,818,665	958,543,267	774,664,385	920,693,491	777,827,341	915,732,890	199,108,341
Department of Defense—Military Functions.....	2,775,936,849	101,375,534	151,730,612	38,723,388	90,773,767	19,226,233	49,666,163	15,333,837
Department of Health, Education, and Welfare.....	125,503,599	15,616,013	27,769,704	12,714,524	2,639,426	8,235,997		8,065,696
Department of the Interior.....	19,430,623	2,962,405	6,229,193		627,625		24,509	
Department of Justice.....		813,006						
Contract authorizations for later transmission:								
Department of Commerce.....					1—65,000,000		1—65,000,000	597,500,000
Total balances of contract authorizations.....	4,302,339,724	1,208,588,390	1,332,774,671	1,192,414,790	1,137,686,581	1,192,054,245	1,111,832,736	1,106,332,548
<b>BALANCES IN REVOLVING AND MANAGEMENT FUNDS</b>								
<b>(Including U. S. Government securities held)</b>								
Legislative branch.....	286,173		132,272		* 10,046,762	27,044,445	* 9,035,402	26,044,445
Executive Office of the President.....	14,377	40,882	5,874	49,728				
Funds appropriated to the President.....	* 47,182,096	176,638,050	22,985,730	38,120,492	28,186,764	35,463,458	31,209,683	35,879,564
Independent offices.....	* 38,336,526	404,117,085	95,010,314	430,631,875	219,642,509	346,484,066	84,818,210	289,736,621
General Services Administration.....	26,969,208	* 7,903,403	13,972,530	4,474,290	15,774,184	9,384,912	13,529,223	12,309,431
Housing and Home Finance Agency.....	95,114,857	561,370,832	123,802,223	595,318,889	139,497,547	587,010,919	151,439,424	661,333,932
Department of Agriculture.....	* 64,503,940	142,420,355	* 134,137,571	197,439,474	* 108,193,038	183,126,310	* 105,012,531	198,768,032
Department of Commerce.....	14,632,153	5,147,826	* 7,509,012	21,557,746	* 21,770,550	39,229,559	* 14,184,346	43,747,149
Department of Defense—Military Functions.....	1,023,842,341	1,502,649,077	* 1,780,341,110	1,703,460,018	* 3,784,264,658	1,346,250,951	* 2,332,570,911	1,873,050,539
Department of Defense—Civil Functions.....	8,963,551	21,952,082	13,886,384	32,525,577	37,639,208	37,010,100	35,408,037	31,540,664
Department of Health, Education, and Welfare.....	1,902,577	403,632	1,524,148	550,669	798,946	1,158,331	871,750	1,161,778
Department of the Interior.....	* 7,518,345	19,325,141	* 10,993,637	21,546,969	* 9,869,892	19,424,804	* 6,683,004	17,574,198
Department of Justice.....	* 1,643,995	6,684,212	* 1,288,288	5,161,134	* 1,298,788	5,022,268	* 1,307,788	5,004,768
Department of Labor.....	265,629	3,590,878	* 267,685	3,813,997	* 583,541	3,517,453	* 815,942	2,732,353
Post Office Department.....			1,193,782		688,000		149,700	
Department of State.....	493,377	212,266	336,427	281,592	329,361	44,822	29,361	44,822
Treasury Department.....	64,733,708	* 30,942,288	64,987,300	* 49,293,365	* 47,877,004	58,965,098	* 28,376,761	163,582,635
Total balances in revolving and management funds.....	1,078,033,049	2,805,706,627	* 1,596,700,319	3,005,639,085	* 3,541,347,714	2,699,146,496	* 2,180,531,297	3,362,510,931
Reserve for contingencies.....					25,000,000		75,000,000	
Total balances available at start of year.....	69,702,378,412	29,677,045,225	68,521,477,518	34,198,451,480	59,452,910,532	27,432,848,476	52,834,083,710	24,271,553,194

\* Deduct, excess of receivables over obligations.

\* Deduct, excess of obligations over receivables and cash.

<sup>1</sup> Reflects obligations of \$65 million under previously granted contract authorization for which appropriations to liquidate are proposed for later transmission.

TABLE 9

## APPLICABLE RECEIPTS OF PUBLIC ENTERPRISE FUNDS AND THEIR EFFECT ON BUDGET EXPENDITURES

## BY FUNCTION AND AGENCY

Based on existing and proposed legislation

	1953			1954			1955		
	Gross budget expenditures	Applicable receipts <sup>1</sup>	Net budget expenditures	Gross budget expenditures	Applicable receipts <sup>1</sup>	Net budget expenditures	Gross budget expenditures	Applicable receipts <sup>1</sup>	Net budget expenditures
<b>BY FUNCTION</b>									
National security .....	\$50,274,508,781	\$483,382	\$50,274,025,399	\$48,720,477,000	\$450,000	\$48,720,027,000	\$44,860,415,500	\$407,500	\$44,860,008,000
Veterans' services and benefits .....	4,326,961,338	28,761,122	4,298,200,216	4,190,235,728	30,074,565	4,160,161,163	4,222,617,412	30,206,910	4,192,410,502
International affairs and finance .....	2,656,217,006	440,174,589	2,216,042,417	2,248,944,002	469,460,024	1,779,483,978	1,884,979,640	634,933,301	1,250,046,339
Social security, welfare, and health .....	1,910,011,685	218,326	1,909,793,359	1,946,852,692	225,416	1,946,627,276	1,806,827,373	221,750	1,806,605,623
Housing and community development .....	2,117,879,955	1,569,020,735	548,859,220	2,357,245,049	2,299,757,789	57,487,260	1,903,559,219	2,180,156,299	* 276,597,080
Education and general research .....	277,036,729		277,036,729	277,720,206		277,720,206	222,662,018		222,662,018
Agriculture and agricultural resources .....	6,447,809,598	3,511,762,918	2,936,046,680	8,087,275,363	5,432,823,413	2,654,451,950	6,751,631,269	4,385,248,218	2,366,383,051
Natural resources .....	1,498,752,873	140,378,019	1,358,374,854	1,349,187,582	177,231,773	1,171,955,809	1,337,200,415	234,564,700	1,102,635,715
Transportation and communication .....	4,473,786,985	2,397,379,386	2,076,407,599	4,445,719,813	2,590,145,049	1,855,574,764	4,277,163,966	2,858,946,380	1,418,217,586
Finance, commerce, and industry .....	1,204,766,503	1,128,771,619	75,994,884	1,150,922,678	987,014,768	163,907,910	917,131,652	755,492,061	161,639,591
Labor and manpower .....	284,319,981	3,046,049	281,273,932	267,230,816	2,015,823	265,214,993	282,121,036	1,248,000	280,873,036
General government .....	1,444,044,074	4,985,366	1,439,058,708	1,178,270,474	3,515,918	1,174,754,556	1,163,695,361	3,705,798	1,159,989,563
Interest .....	6,583,143,487		6,583,143,487	6,600,095,425		6,600,095,425	6,875,265,425		6,875,265,425
Reserve for contingencies .....				75,000,000		75,000,000	150,000,000		150,000,000
Adjustment to daily Treasury statement basis .....	-291,922,457		-291,922,457						
<b>Total .....</b>	<b>83,207,316,538</b>	<b>9,224,981,511</b>	<b>73,982,335,027</b>	<b>82,895,176,828</b>	<b>11,992,714,538</b>	<b>70,902,462,290</b>	<b>76,655,270,286</b>	<b>11,085,130,917</b>	<b>65,570,139,369</b>
<b>BY AGENCY</b>									
Legislative branch .....	60,849,479		60,849,479	63,368,208		63,368,208	66,387,974		66,387,974
The Judiciary .....	27,428,096		27,428,096	28,783,872		28,783,872	29,502,855		29,502,855
Executive Office of the President .....	8,935,507		8,935,507	10,222,642		10,222,642	8,851,468		8,851,468
Funds appropriated to the President .....	2,131,103,752	302,702,159	1,828,401,593	1,885,664,379	183,350,731	1,702,313,648	1,622,816,893	242,472,919	1,380,343,974
Independent offices .....	10,234,114,471	3,278,652,905	6,955,461,566	10,202,687,722	3,292,745,091	6,909,942,631	10,454,961,399	3,387,333,196	7,067,628,203
General Services Administration .....	1,108,509,799	1,671,513	1,106,838,286	939,019,899	2,833,814	936,186,085	753,158,480	1,618,000	751,540,480
Housing and Home Finance Agency .....	1,893,674,360	1,509,089,119	384,585,241	2,105,731,508	2,208,476,063	* 102,744,555	1,712,257,719	2,096,839,799	* 384,582,080
Department of Agriculture .....	4,710,179,441	1,493,255,446	3,216,923,995	6,364,504,235	3,419,490,468	2,945,013,767	4,759,555,084	2,263,108,083	2,496,447,001
Department of Commerce .....	1,197,812,860	134,772,788	1,063,040,072	1,148,527,407	68,839,020	1,079,688,387	1,028,320,292	49,117,850	979,202,442
Department of Defense—Military Functions .....	47,564,611,612	483,382	47,564,128,230	45,750,450,000	450,000	45,750,000,000	41,850,407,500	407,500	41,850,000,000
Department of Defense—Civil Functions .....	944,982,150	132,343,540	812,638,610	736,728,927	119,305,829	617,423,098	653,992,907	113,831,800	540,161,107
Department of Health, Education, and Welfare .....	1,919,861,681	218,326	1,919,643,355	1,950,944,323	1,690,570	1,949,253,753	1,788,522,315	1,815,509	1,786,706,806
Department of the Interior .....	623,454,012	36,005,250	587,448,762	582,887,568	33,769,328	549,118,240	561,680,826	33,738,228	527,942,598
Department of Justice .....	170,651,252		170,651,252	183,965,159		183,965,159	176,303,752		176,303,752
Department of Labor .....	303,017,628	3,046,049	299,971,579	301,016,271	2,015,823	299,000,448	361,752,069	1,248,000	360,504,069
Post Office Department .....	2,775,345,941	2,116,418,240	658,927,701	2,774,679,670	2,334,824,706	439,854,964	2,775,082,300	* 2,685,512,000	89,570,300
Department of State .....	271,062,272	1,392	271,060,880	159,196,016	131,164	159,064,852	214,133,000		214,133,000
Treasury Department .....	7,541,894,682	216,321,402	7,325,573,280	7,616,299,022	324,791,931	7,291,507,091	7,653,038,453	208,088,033	7,444,950,420
District of Columbia .....	11,750,000		11,750,000	15,500,000		15,500,000	34,545,000		34,545,000
Reserve for contingencies .....				75,000,000		75,000,000	150,000,000		150,000,000
Adjustment to daily Treasury statement basis .....	-291,922,457		-291,922,457						
<b>Total .....</b>	<b>83,207,316,538</b>	<b>9,224,981,511</b>	<b>73,982,335,027</b>	<b>82,895,176,828</b>	<b>11,992,714,538</b>	<b>70,902,462,290</b>	<b>76,655,270,286</b>	<b>11,085,130,917</b>	<b>65,570,139,369</b>

<sup>1</sup> Deduct, excess of repayments and collections over expenditures.<sup>2</sup> Includes \$240,000,000 of proposed postal rate increases.<sup>3</sup> Receipts of certain Government corporations, the postal service, and other revolving funds the receipts of which come primarily from outside the Government. These funds are listed in the respective chapters of part II as "Public enterprise funds."



## INTRODUCTION TO PART II

Part II contains the details of the budget for Federal funds, including various types of tables and schedules, explanatory statements of the work to be performed and the money needed, and the text of the language proposed for enactment by Congress on each item of authorization. This part also includes material on funds of the municipal government of the District of Columbia, and a few other trust funds which require congressional action.

The contents of part II are arranged in chapters reflecting the organization of the Government. Totals from the chapters are carried forward to the tables of part I.

### SUMMARIES OF BUDGET AUTHORIZATIONS, EXPENDITURES, AND BALANCES

At the beginning of each chapter a table in large type summarizes budget authorizations available, and a second table summarizes expenditures and other dispositions of the amounts available. Both tables segregate the items proposed for later transmission, for which no details appear in this budget, from those items already enacted or recommended in this document.

*Summary of budget authorizations available.*—This summary indicates the totals of each type of new obligational authority for the year, the totals of the various types of balances brought forward into the year, and any inter-chapter transfers or net upward adjustments of budget authorizations. The various types of authorizations are explained in the introduction to part I (pp. A3 and A4).

*Summary of expenditures and balances.*—This summary indicates the total expenditures for the chapter, the portion of the unspent available amounts which ceases to be available during or at the close of the year, and the balances carried forward into the next year. The figures are taken from the detailed analysis schedules appearing throughout the chapter.

For the years 1954 and 1955, there are estimated the portion of the expenditures which will come out of appropriations or other authorizations granted by Congress for that year, and the expenditures which will come from permanent authorizations and from balances of prior authorizations brought into the year. Additional entries are used where required for expenditures which will come from appropriations made to liquidate prior contract authorizations, and for expenditures from balances and receipts of revolving and management funds. Because old and new authorizations are commingled in some accounts, no attempt is made in the summary figures to separate actual spending in 1953 between old and new authorizations.

In preparing the estimates for 1954 and 1955, it is generally assumed that prior year balances available in commingled accounts will be obligated before the new authorizations are obligated, and that expenditures will reflect the liquidation of those obligations on the basis of previous experience. Where the obligation and expenditure are simultaneous, the first-in, first-out method is used to assign expenditures between old and new authorizations. In the case of revolving funds where budgetary authorizations are commingled with receipts, it is assumed that authorizations are expended in an amount equal to the sums placed in the revolving fund during the year, and that the remaining expenditures or net collections are a charge or credit to balances of the fund.

*Summaries of balances.*—At the bottom of the foregoing summaries, there is given (a) a further analysis of the authorization balances which are carried forward each year, indicating the respective amounts which are obligated and unobligated; and (b) a further analysis of the

amounts written off or otherwise ceasing to be available each year, indicating the manner of writeoff.

### STATEMENT OF AUTHORIZATIONS AND EXPENDITURES BY ACCOUNT TITLE

A detailed listing of the organization units and titles of appropriations and funds shows the budget authorizations and expenditures for each. The accounts are divided into several sections: Current authorizations other than revolving and management funds, permanent authorizations, revolving and management funds, and supplemental items proposed for later transmission.

Types of authorizations other than appropriations are set forth under the applicable appropriation titles, identified by separate stub entries. Functional code numbers appear in a separate column, indicating the category in the functional tables (Special Analyses B and J of part IV) where each account has been included.

Two deductions appear at the end of the table. One deduction, in the authorization column, covers the portion of appropriations which are to liquidate contract authorizations and hence are to be excluded in arriving at new obligational authority. The other deduction, in the expenditure column, is for the receipts of public enterprise funds, which are to be subtracted in arriving at *net* budget expenditures.

A separate double-page table is used for revolving and management funds. This portion of the table shows the total amounts provided by operations, the total amounts applied to operations and the net expenditures (which is the difference between the two other figures just named). Appropriations and other budgetary authorizations to use general fund money for revolving funds are shown in this section. The expenditures for each revolving fund include both the spending from budgetary authorizations and the spending from balances of the fund.

The section on revolving and management funds is divided between public enterprise funds and intragovernmental funds. For the former, the "funds applied" figures and for the latter the "net effect on expenditures" figures are carried into the "gross budget expenditures" of the preceding listing.

### ALLOCATIONS AND CONSOLIDATED WORKING FUNDS

For funds appropriated to the President and other appropriations which are allocated by one agency to another for construction, for major procurement, for services to be carried on beyond the year, or for services which by mutual agreement are to be so handled, the amount so allocated is accounted for separately by the receiving agency. The use of the money is shown in a section of the budget under the parent account, rather than in the portion of the budget for the receiving agency.

Most other advances between agencies are accounted for in consolidated working funds. Each such advance is included in an appropriate object class of the parent accounts and the use of all such advances is shown in working fund schedules of the receiving agency.

### DETAILED MATERIAL

The display for general and special fund appropriations is illustrated and explained on page 4 and the financial statements used for revolving funds are illustrated and explained on page 5.

The management funds follow the same style as general and special fund accounts with an extra summation of amounts provided and amounts applied, printed at the end of the expenditure analysis schedule. In the case of consolidated working funds, the detail is in part III.



# EXPLANATORY ILLUSTRATION OF BUDGETS FOR GENERAL AND SPECIAL FUND ACCOUNTS

## APPROPRIATION LANGUAGE

The language proposed by the President for inclusion in the 1955 appropriation act is printed at the head of each item requiring action. The language in the 1954 appropriation act is used as a base. Immediately following the language are citations to relevant laws and the appropriations from which the text is taken.

## Salaries and Expenses, Office of the Solicitor Labor

Salaries and expenses for expenses necessary for the Office of the Solicitor, \$1,475,000. *Revised.* That the compensation of the Solicitor shall be at a rate equal to the rate established by law for grade GS-18, \$1,482,000. *Revised.* U. S. C. 297, 611-622; Executive Order 6168; Reorganization Plan No. 2 of 1943; Reorganization Plan No. 14 of 1950; Reorganization Plan No. 19 of 1950; Department of Labor and Health, Education, and Welfare Appropriation Act, 1954.)

Appropriated 1954, \$1,475,000 Estimate 1955, \$1,482,000

Roman type shows the text used in the 1954 appropriation acts.

Brackets enclose material which it is proposed to omit in 1955.

Italic type indicates proposed new language and figures.

## SCHEDULE OF AMOUNTS AVAILABLE

For each account there is shown a brief schedule which lists the appropriations made or required, other sources of money or authority to incur obligations, deductions for the amounts not used within the year, and the amount of "Obligations incurred."

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$1,764,600	\$1,475,000	\$1,482,000
Transferred from "Salaries and expenses, Bureau of Employment Security," pursuant to Public Law 452.....	6,000		
Adjusted appropriation or estimate.....	1,770,600	1,475,000	1,482,000
Reimbursements from other accounts.....	13,522		
Total available for obligation.....	1,784,122	1,475,000	1,482,000
Unobligated balance, estimated savings.....	-628		
Obligations incurred.....	1,783,494	1,475,000	1,482,000

Balances not available after the end of the year, to be lapsed.

Obligations refer to orders placed, contracts awarded, and services received during the year, regardless of the time of payment. Appropriations or other obligatory authority must be provided by the Congress before obligations can be incurred.

## OBLIGATIONS BY ACTIVITIES

Financial requirements are broken down by purpose, program, project, or activity. This breakdown is especially tailored for each agency and account, reflecting the particular duties and responsibilities for which it receives money.

Where reimbursements are received from other accounts of the Government, the obligations chargeable to such reimbursements are often placed in a separate portion of this schedule.

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<b>Direct Obligations</b>			
1. Litigation.....	\$268,615	\$198,273	\$198,273
2. Interpretations and legal advisory services.....	280,961	173,736	194,486
3. Wage determinations.....	222,025	102,167	102,167
4. Legislative advisory services.....	138,478	108,391	108,391
5. Enforcement of regulatory labor laws (regional offices).....	699,221	650,165	636,415
6. Executive direction and management services.....	160,602	152,268	152,268
Total direct obligations.....	1,769,972	1,475,000	1,482,000
<b>Obligations Payable Out of Reimbursements From Other Accounts</b>			
2. Interpretations and legal advisory services.....	\$2,549		
3. Wage determinations.....	573		
5. Enforcement of regulatory labor laws (regional offices).....	2,369		
6. Executive direction and management services.....	8,631		
Total obligations payable out of reimbursements from other accounts.....	13,522		
Obligations incurred.....	1,783,494	1,475,000	1,482,000

Direct obligations are those for which this agency gets the money directly, either by appropriation, contract authorization, reimbursements from outside the Government, or other means.

Obligations shown in this portion of the schedule are financed by other appropriations and accounts, and therefore the amounts shown here are duplicated within the direct obligations section of the paying accounts.

## NARRATIVE STATEMENTS

The work planned and services proposed to be carried out are described briefly under each appropriation or fund. Where practicable the narrative statements indicate the expected accomplishment in relation to the financial estimates and give some measures of program and performance. In the case of permanent appropriations, the narrative statements also explain the source of the money and the statutory basis for the appropriation.

The Office of the Solicitor serves as legal counsel to the Department and examines the legal aspects of its program.

1. *Litigation.* The enforcement through court action of regulatory labor laws, the more important of which are the Federal wage, hour, and child labor laws, come within the scope of this activity.

6. *Executive direction and management services.*

Headings in the narrative statements usually agree with the schedules of obligations by activities.

Executive direction, administrative services, and similar common overhead activities are merely listed, except when there is some unusual circumstance to be explained.

## OBLIGATIONS BY OBJECTS

There is shown for each account a summary of personal services and a classification of the obligations according to a uniform list of objects. These object classes, numbered from 01 to 16, reflect the nature of the things or services purchased, regardless of the purpose or the nature of the program for which they are used.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>Summary of Personal Services</b>			
Total number of permanent positions.....	306	242	243
Average number of all employees.....	292	237	238
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$5,571	\$5,712	\$5,716
OS-6-3		OS-6-3	OS-6-3
Personal service obligations:			
Permanent positions.....	\$1,624,213	\$1,348,450	\$1,355,000
Regular pay in excess of 52-week base.....	6,280	5,200	5,200
Payment above basic rates.....	7,782	1,470	1,470
Total personal service obligations.....	1,638,275	1,355,120	1,361,670
<b>Direct Obligations</b>			
01 Personal services.....	1,624,213	1,355,120	1,361,670
02 Travel.....	59,431	62,000	62,000
03 Transportation of things.....	920	900	900
04 Communication services.....	19,078	18,750	19,000
05 Rents and utility services.....	2,673	2,250	2,250
06 Printing and reproduction.....	9,446	7,200	7,200
07 Other contractual services.....	23,595	17,400	17,400
08 Services performed by other agencies.....	1,104	600	600
09 Supplies and materials.....	23,415	17,700	17,750
10 Equipment.....	2,253	1,000	1,000
15 Taxes and assessments.....	3,675	2,080	2,230
Total direct obligations.....	1,769,972	1,475,000	1,482,000
<b>Obligations Payable Out of Reimbursements From Other Accounts</b>			
01 Personal services.....	\$13,522		
Obligations incurred.....	1,783,494	1,475,000	1,482,000

Permanent positions are those of a full-time nature which are of indefinite duration. They include positions which may be filled by persons with temporary appointments.

Average salaries and average grades are computed arithmetically. The average salary may fall either within or outside the salary range of the average grade.

The obligated balance shown here plus unobligated balances brought forward from prior years (if any) shown in the schedule of amounts available for obligation make up the balance available at the start of the year which is included in the chapter summary data.

Obligations which have been incurred but not yet paid are estimated as closely as possible, but the eventual payment may be in a slightly different amount from the obligation first reported. This line indicates the adjustment required for this reason in expired accounts.

## ANALYSIS OF EXPENDITURES

This schedule shows the relationship between obligations incurred during the year and the amounts disbursed in the same period. The unliquidated obligations (i. e., obligations which have not yet been paid) at the beginning and end of the year are the principal items in making the bridge from obligations to expenditures.

The schedule also distributes the year's expenditures between those which come from authorizations of the same year, here called "current authorizations" (whether of a permanent or non-permanent nature), and those which come from authorizations of a prior year.

In the case of management funds additional lines are shown in this schedule to show the total funds provided by operations and applied to operations and the net effect on budgetary expenditures.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$55,055	\$83,285	\$70,185
Obligations incurred during the year.....	1,783,494	1,475,000	1,482,000
Total.....	1,838,549	1,558,285	1,552,185
Deduct:			
Adjustment in obligations of prior years.....	3,974		
Reimbursements.....	13,522		
Obligated balance carried to certified claims account.....	156		
Unliquidated obligations, end of year.....	83,185	70,185	70,185
Total expenditures.....	1,737,712	1,488,000	1,482,000
<b>Expenditures are distributed as follows:</b>			
Out of current authorizations.....	1,688,962	1,488,000	1,412,000
Out of prior authorizations.....	50,750	83,000	70,000

Since the total of obligations includes the reimbursable items, but the expenditure figures are necessarily net of reimbursements (primarily to avoid duplicate accounting for the Government as a whole), it is necessary to deduct reimbursements in arriving at expenditure figures.

This is an example where successive annual appropriations are made. If appropriations of two or more years were merged under the law, a single figure would appear in the 1953 column for expenditures out of both current and prior authorizations.

## EXPLANATORY ILLUSTRATION OF BUDGETS FOR REVOLVING FUNDS

The financial statements shown below are regularly used for revolving funds. Such funds also have narrative statements on program and performance. Budgetary

authorizations for such funds and limitations on expenses of Government corporations follow the general format illustrated on the opposite page.

### STATEMENT OF THE SOURCES AND APPLICATION OF FUNDS

This is a balanced presentation of the amounts becoming available during the year, either in the form of cash or other working capital, and the way in which those amounts have been used.

The statement excludes depreciation, losses on loans, and other transactions which affect neither cash nor other current assets and liabilities. It does reflect transactions which affect cash, accounts receivable, accounts payable, other accrued liabilities, inventories of supplies for administrative purposes, deferred charges and credits.

Both the funds applied and the funds provided parts of the statement are divided between "operations" and Treasury "financing."

For intragovernmental funds, net expenditures (the sum of amounts applied to operations, less amounts provided by operations) are included in budget expenditures.

For public enterprise funds, the total amount applied to operations is included in gross budget expenditures. The sum of amounts provided by operations for such funds make up the deduction for "Receipts of public enterprise funds."

### A. Statement of sources and application of funds

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
To operations:			
Acquisition of assets.....	\$4,681	\$4,009	\$4,009
Expenses.....	2,003,024	2,078,100	2,029,100
Total applied to operations.....	2,007,705	2,080,100	2,033,100
To financing:			
Balance of appropriation carried to surplus.....	1,009,000		
Increase in Treasury cash.....	38,344		
Total funds applied.....	3,045,049	2,080,100	2,033,100
<b>FUNDS PROVIDED</b>			
By operations:			
Income: Contracting for workers.....	2,869,776	2,015,823	1,248,000
Decrease in selected working capital.....	176,273		
Total provided by operations.....	3,046,049	2,015,823	1,248,000
By financing: Decrease in Treasury cash.....		64,277	785,100
Total funds provided.....	3,046,049	2,080,100	2,033,100

If the enterprise acquires materials for manufacture or sale, purchases for manufacture or sale are included in expenses, whether or not the materials are used within the year.

Selected working capital items comprise the current assets (other than cash with Treasury, inventories for sale or manufacture, and without deducting any valuation allowances) less the current liabilities (other than reserves). The net amount of such items is indicated in a footnote to Statement C.

### EFFECT ON BUDGET EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Funds applied to operations.....	\$2,007,705	\$2,080,100	\$2,033,100
Funds provided by operations.....	3,046,049	2,015,823	1,248,000
Net effect on budget expenditures.....	-1,038,344	64,277	785,100
The above are charged or credited (-) to net receipts of the fund.....	-1,038,344	64,277	785,100

Net effect on budgetary expenditures includes the spending of appropriations for the revolving fund as well as the spending of the fund's own receipts. A negative figure here indicates collections in excess of expenditures.

### B. Statement of income and expense

	1953 actual	1954 estimate	1955 estimate
Income: Contracting for workers.....	\$2,869,776	\$2,015,823	\$1,248,000
Expenses:			
Transportation of workers.....	1,148,212	1,208,200	1,236,500
Food and shelter for workers.....	775,423	779,500	765,240
Miscellaneous.....	12,387	28,000	27,000
Subtotal.....	2,003,024	2,076,100	2,029,100
Depreciation.....	15,625	18,625	17,625
Total expenses.....	2,018,649	2,094,725	2,046,725
Net income or loss (-) for the year.....	851,127	-76,902	-798,725
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	1,044,138	1,895,255	1,818,363
Retained earnings, end of year.....	1,895,255	1,818,363	1,019,638

Income (as well as expenses) is usually based on the accrual method of accounting.

If the enterprise conducts a sales operation, the cost of goods sold, rather than purchases, is considered an expense in this statement.

Depreciation and other expenses not shown on statement A are indicated separately.

Retained earnings here agrees with the balance sheet. It represents cumulative profits kept in the business, whether in the form of cash, inventories, receivables, or fixed assets.

### STATEMENT OF INCOME AND EXPENSE

This is a statement of the income and expenses and the resulting profit or loss for the year. This statement is normally on a full accrual basis, including in the expenses sums for depreciation and provision for losses on receivables. It also indicates losses and charge-offs when they occur. In addition, gains or losses from the sale of equipment or other assets appear here.

At the bottom of this statement there is an analysis of the retained earnings or cumulative deficit, showing any additions to it during the year, any charges made against it, and the balance at the end of the year.

### STATEMENT OF FINANCIAL CONDITION

This is a balance sheet of assets, liabilities, and investment of the Government at the close of the fiscal year. Like the other statements, it is normally on an accrual basis.

When interest is paid on part or all of the investment of the United States Government, this section is broken down to indicate the amount which has been invested by the Government on which the fund pays interest, the amount invested on which the fund does not pay interest, and the retained earnings or deficit.

### C. Statement of financial condition

	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>			
Current assets: Cash with Treasury.....	\$2,723,788	\$2,659,511	\$1,874,411
Fixed assets:			
Equipment.....	82,499	66,499	70,499
Less portion charged off as depreciation.....	30,800	46,705	64,330
Total fixed assets.....	32,419	19,794	6,169
Total assets.....	2,756,207	2,679,305	1,880,580
<b>LIABILITIES</b>			
Current liabilities: Accounts payable.....	860,942	860,942	860,942
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
Retained earnings.....	1,895,255	1,818,363	1,019,638
Total liabilities and investment of U. S. Government.....	2,756,207	2,679,305	1,880,580

Cash with United States Treasury is the sum that the fund has on deposit with the Treasury. It excludes any balances of appropriations (or other authorizations) which have not yet been paid into the fund.

Liabilities normally means what is owed for goods and services which have been received. The remainder of the obligations outstanding, covering items on order which have not yet been received, is shown as a footnote.

The investment of the United States Government indicates the Government's interest as owner, plus the Government's interest as creditor in the form of notes payable to the Treasury where a Government corporation has authorization to borrow on such notes.

NOTE.—Cash balance with Treasury, June 30, 1952, \$2,685,444. Selected working capital (other than cash with Treasury) included above is as follows: June 30, 1952, \$581,859; 1953, \$580,942; 1954, \$580,942; 1955, \$580,942. Excludes contingent liability for undelivered orders as follows: June 30, 1952, \$9,450; 1953, \$2,470; 1954, \$3,000; 1955, \$3,000.

### SCHEDULE A-1. Accrued expenditures by objects

Object classification	1953 actual	1954 estimate	1955 estimate
02 Travel.....	\$1,148,212	\$1,208,200	\$1,236,500
03 Transportation of things.....	64,587	16,500	13,500
05 Rents and utility services.....	41,106	42,150	42,150
07 Other contractual services.....	754,319	757,750	723,000
08 Supplies and materials.....	14,400	11,500	11,500
09 Equipment.....	4,681	4,000	4,000
Total accrued expenditures.....	2,007,705	2,080,100	2,033,100

The cash balances shown in the footnote and above are used in compiling chapter summary data on balances. The contingent liabilities and commitments, if any, shown in the footnote minus selected working capital make up the obligated portion of the balances. The total cash minus the obligated portion makes up the unobligated portion.

### SCHEDULE OF ACCRUED EXPENDITURES BY OBJECTS

This is a schedule of accrued expenditures by uniform object class. Sometimes the details are on an obligation basis, with an adjustment for the charge in items on order, ending with the total accrued expenditures.



**DEPARTMENT OF AGRICULTURE**  
**SUMMARY OF BUDGET AUTHORIZATIONS AVAILABLE**

	1953 actual	1954 estimate	1955 estimate
<b>NEW OBLIGATIONAL AUTHORITY</b>			
<b>Enacted or recommended in this document:</b>			
Current authorizations:			
Appropriations.....	\$736, 179, 832	\$856, 389, 739	\$696, 888, 813
Reappropriations.....	396, 934	530, 818	-----
Authorizations to expend from public debt receipts.....	559, 293, 936	659, 503, 131	275, 500, 000
Total new obligational authority under current authorizations.....	1, 295, 870, 702	1, 516, 423, 688	972, 388, 813
Permanent authorizations: Appropriations.....	213, 641, 777	204, 416, 554	209, 895, 587
Total new obligational authority enacted or recommended.....	1, 509, 512, 479	1, 720, 840, 242	1, 182, 284, 400
<b>Proposed for later transmission:</b>			
Appropriations.....	-----	3, 000, 000	3, 000, 000
Authorizations to expend from public debt receipts.....	-----	774, 954, 762	1, 750, 000, 000
Grand total new obligational authority.....	1, 509, 512, 479	2, 498, 795, 004	2, 935, 284, 400
<b>BALANCES AND OTHER AMOUNTS AVAILABLE</b>			
Balances brought forward at start of year from—			
Appropriations enacted.....	411, 779, 065	490, 102, 099	396, 278, 817
Appropriations proposed for later transmission.....	-----	-----	500, 000
Authorizations to expend from debt receipts.....	5, 513, 945, 635	3, 731, 210, 374	2, 559, 967, 612
Authorizations to expend from debt receipts proposed for later transmission.....	-----	-----	774, 954, 762
Revolving and management funds.....	77, 916, 415	63, 301, 903	74, 933, 272
Other amounts available: Transfers of balances to (—) or from (+) accounts in other chapters of the budget (net).....	—537	-----	-----
Total balances and other amounts available.....	6, 003, 640, 578	4, 284, 614, 376	3, 806, 634, 463
Total budget authorizations available.....	7, 513, 153, 057	6, 783, 409, 380	6, 741, 918, 863

**SUMMARY OF BALANCES AVAILABLE AT START OF YEAR**

	1953		1954		1955		1956	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
Balances of prior authorizations for expenditure:								
Appropriations enacted or recommended.....	\$162, 373, 053	\$249, 406, 012	\$133, 047, 152	\$357, 054, 947	\$150, 947, 460	\$245, 331, 357	\$147, 599, 524	\$179, 091, 963
Appropriations proposed for later transmission.....	-----	-----	-----	-----	500, 000	-----	600, 000	-----
Authorizations to expend from debt receipts.....	760, 347, 957	4, 753, 597, 678	1, 285, 092, 142	2, 446, 118, 232	2, 476, 770, 671	83, 196, 941	1, 291, 455, 909	5, 511, 703
Balances of authorization to expend from debt receipts proposed for later transmission.....	-----	-----	-----	-----	-----	774, 954, 762	663, 524, 762	1, 861, 430, 000
Balances in revolving and management funds (including U. S. Government securities held).....	* 64, 503, 940	142, 420, 355	* 134, 137, 571	197, 439, 474	* 108, 193, 038	183, 126, 310	* 105, 012, 531	198, 768, 032
Total balances available at start of year.....	858, 217, 070	5, 145, 424, 045	1, 284, 001, 723	3, 000, 612, 653	2, 520, 025, 093	1, 286, 609, 370	1, 998, 167, 664	2, 244, 801, 698

\* Deduct, excess of receivables over obligations.



**DEPARTMENT OF AGRICULTURE**  
**SUMMARY OF EXPENDITURES AND BALANCES**

	1953 actual	1954 estimate	1955 estimate
<b>EXPENDITURES</b>			
<b>From new authorizations enacted or recommended in this document:</b>			
Out of new obligational authority:			
Current authorizations.....		\$965, 531, 917	\$773, 172, 332
Permanent authorizations.....		197, 626, 383	203, 295, 187
Total expenditures from new authorizations enacted or recommended.....		1, 163, 158, 300	976, 467, 519
<b>From authorizations proposed for later transmission:</b>			
Out of current authorizations.....		2, 500, 000	2, 400, 000
Out of balances of prior expenditure authorizations.....	\$4, 710, 179, 441		500, 000
Total expenditures from authorizations proposed for later transmission.....		2, 500, 000	2, 900, 000
<b>Other expenditures:</b>			
Out of balances of prior expenditure authorizations.....		1, 793, 485, 205	1, 538, 401, 711
Out of receipts and balances of revolving and management funds.....		3, 405, 360, 730	2, 241, 785, 854
Total other expenditures.....		5, 198, 845, 935	3, 780, 187, 565
Total budget expenditures.....	4, 710, 179, 441	6, 364, 504, 235	4, 759, 555, 084
Deduct receipts of public enterprise funds.....	1, 493, 255, 446	3, 419, 490, 468	2, 263, 108, 083
Net budget expenditures.....	3, 216, 923, 995	2, 945, 013, 767	2, 496, 447, 001
<b>BALANCES NOT EXPENDED</b>			
Balances of authorizations and funds ceasing to be available unless reappropriated or reauthorized for the next year.....	11, 614, 686	31, 761, 150	2, 502, 500
<b>Balances carried forward at end of year in—</b>			
Appropriations enacted or recommended.....	490, 102, 099	396, 278, 817	326, 691, 487
Appropriations proposed for later transmission.....		500, 000	600, 000
Authorizations to expend from debt receipts.....	3, 731, 210, 374	2, 559, 967, 612	1, 296, 967, 612
Authorizations to expend from debt receipts proposed for later transmission.....		774, 954, 762	2, 524, 954, 762
Revolving and management funds.....	63, 301, 903	74, 933, 272	93, 755, 501
Total balances carried forward at end of year.....	4, 284, 614, 376	3, 806, 634, 463	4, 242, 969, 362
Net expenditures and balances.....	7, 513, 153, 057	6, 783, 409, 380	6, 741, 918, 863

**SUMMARY OF BALANCES CEASING TO BE AVAILABLE UNLESS REAPPROPRIATED OR REAUTHORIZED BY CONGRESS**

	1953 actual	1954 estimate	1955 estimate
Balances expiring and lapsing and adjustment of balances downward (net).....	\$9, 083, 868	\$29, 261, 150	\$2, 500
Capital transfers from revolving funds to receipt accounts.....	2, 000, 000	2, 500, 000	2, 500, 000
Balances reappropriated and reauthorized for following year.....	530, 818		
Total balances ceasing to be available unless reappropriated or reauthorized by Congress.....	11, 614, 686	31, 761, 150	2, 502, 509

**BUDGET AUTHORIZATIONS AND EXPENDITURES**  
**BY ORGANIZATION UNIT AND ACCOUNT TITLE**

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)		
		1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
ENACTED OR RECOMMENDED IN THIS DOCUMENT							
Current authorizations (Other than revolving and management funds)							
Agricultural Research Service:							
Salaries and expenses.....	355			\$64,678,000			\$58,200,000
Payments to States, Hawaii, Alaska, and Puerto Rico.....	355	\$12,441,208	\$13,453,708	19,453,708	\$12,404,165	\$13,454,000	19,450,000
Research on strategic and critical agricultural materials.....	355	600,000	439,500	331,500	602,629	453,500	353,000
Eradication of foot-and-mouth and other contagious diseases of animals and poultry.....	355	2,128,000					
Reappropriation.....	355	396,934	530,818		1,571,878	3,700,000	249,389
Research facilities.....	355				87,213	2,123,000	7,218,000
Extension Service:							
Payments to States, Hawaii, Alaska, and Puerto Rico.....	355	27,165,956	27,165,956	39,675,000	27,006,401	27,170,500	39,514,000
Federal Extension Service.....	355			3,925,000			3,193,400
Salaries and expenses.....	355	899,428	2,605,000		875,969	2,120,200	562,017
Farmer Cooperative Service: Salaries and expenses.....	355	429,720	410,000	408,000	404,063	413,000	409,000
Forest Service:							
Salaries and expenses.....	402	40,946,795	41,065,700	46,478,500	39,626,271	41,000,000	45,850,000
Forest roads and trails.....	402	16,000,000	14,500,000	16,000,000	12,471,267	19,200,000	15,300,000
State and private forestry cooperation.....	402	10,792,708	10,792,708	9,123,000	11,029,983	10,750,000	9,100,000
Cooperative range improvements (special account).....	402	310,000	531,000	281,000	619,658	690,000	392,000
Acquisition of lands for national forests, Weeks Act.....	402	75,000	75,000		82,053	75,000	60,000
Control of forest pests.....	402	6,476,634	5,286,354		5,898,787	5,350,000	1,320,500
Miscellaneous:							
Acquisition of lands for national forests, special acts (special account).....	402	139,999			26,448	42,091	
Acquisition of lands for national forests, Superior National Forest.....	402	150,000			9,055	100,000	100,000
Forest fire cooperation.....	402				4,505		
Forest roads and trails.....	453				11,137	14,000	2,655
Land utilization projects.....	354				133,335	85,255	
Smoke jumper facilities.....	402				126,538	400,000	150,000
Soil Conservation Service:							
Conservation operations.....	354	59,202,548	60,719,514	54,898,000	61,358,459	61,893,000	55,500,000
Watershed protection.....	354		5,000,000	5,000,000		4,042,000	4,812,000
Flood prevention.....	354	7,749,425	7,000,000	5,739,000	6,308,537	6,711,000	6,752,000
Water conservation and utilization projects.....	354	425,500	685,000	480,000	384,594	679,000	527,000
Agricultural conservation program.....	354	249,809,866	211,982,000	195,000,000	272,734,841	225,000,000	196,000,000
Agricultural Marketing Service:							
Marketing research and service.....	355			21,458,500			18,800,000
Payments to States, Territories, and possessions.....	355			900,000			900,000
Repayment to Commodity Credit Corporation.....	355		768,505	441,655		768,505	441,655
School lunch program.....	203	83,364,269	83,236,197	68,000,000	82,835,014	83,225,500	68,000,000
Salaries and expenses, marketing services.....	355	11,464,525	12,451,000		11,662,272	12,300,000	770,000
Foreign Agricultural Service: Salaries and expenses.....	355	613,124	703,000	965,000	570,858	689,250	932,000
Commodity Exchange Authority: Salaries and expenses.....	355	725,000	692,273	673,000	697,919	696,800	691,000
Commodity Stabilization Service:							
Agricultural adjustment programs.....	351	12,855,781	44,350,000	42,500,000	12,739,313	44,223,000	42,500,000
Sugar Act program.....	351	64,998,776	59,608,287	59,600,000	62,618,479	65,400,000	64,800,000
Miscellaneous:							
Administration of Price Adjustment Act of 1938.....	351				* 487	* 112	
Advances to Agricultural Adjustment Administration.....	351				* 29		
Supply and distribution of farm labor.....	355				* 333		
Federal Crop Insurance Corporation: Operating and admin- istrative expenses.....	351	7,447,800	7,450,000	5,700,000	6,531,148	7,369,000	5,923,000
Rural Electrification Administration:							
Loans: Authorization to expend from public debt receipts.....	353	92,500,000	202,500,000	130,000,000	231,498,740	242,000,000	225,000,000
Salaries and expenses.....	353	8,287,980	7,565,000	7,085,000	7,941,475	7,618,000	7,295,000
Farmers' Home Administration:							
Loans: Authorization to expend from public debt receipts.....	352	145,000,000	165,500,000	145,500,000	147,280,607	166,283,000	145,500,000
Farm housing: Authorization to expend from public debt receipts.....	252	19,000,000	16,500,000		19,000,000	16,500,000	
Salaries and expenses.....	352	29,340,042	26,737,000	22,250,000	29,071,129	26,815,000	22,590,000
Miscellaneous:							
Advances from Secretary of the Treasury for farm tenancy loans.....	352				156,482		
Grants, farm housing.....	352				56,310		
Office of the Solicitor: Salaries and expenses.....	355	2,352,024	2,250,000	2,098,000	2,291,331	2,243,000	2,107,000
Office of the Secretary:							
Salaries and expenses.....	355	2,227,133	2,188,000	2,119,000	2,189,800	2,176,000	2,115,000
Salaries and expenses, defense production activities.....	355	2,000,000			2,460,624	155,953	

° Deduct, excess of repayments and collections over expenditures.



## BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

## BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)		
		1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
ENACTED OR RECOMMENDED IN THIS DOCUMENT—Continued							
Current authorizations—Continued							
Office of Information: Salaries and expenses.....	355	\$1,251,201	\$1,223,000	\$968,000	\$1,191,321	\$1,517,000	\$983,000
Library: Salaries and expenses.....	355	681,169	681,800	659,950	693,670	678,000	666,000
Agricultural Marketing Act.....	355	5,249,333	5,500,000	-----	5,304,306	5,425,000	613,000
Bureau of Agricultural Economics: Salaries and expenses.....	355	5,428,400	5,729,000	-----	5,279,504	5,633,000	628,106
Agricultural Research Administration:							
Office of Administrator: Salaries and expenses.....	355	580,677	341,677	-----	572,321	374,000	71,098
Office of Experiment Stations:							
Salaries and expenses.....	355	380,000	369,750	-----	378,510	368,000	38,046
Virgin Islands agricultural program.....	355	100,000	95,180	-----	81,734	99,000	10,154
Research on agricultural problems of Alaska.....	355	270,000	270,000	-----	269,670	275,000	36,305
Bureau of Human Nutrition and Home Economics: Salaries and expenses.....	355	1,399,202	1,404,500	-----	1,381,842	1,397,000	245,000
Bureau of Animal Industry: Salaries and expenses.....	355	26,196,462	26,690,000	-----	26,308,292	26,644,000	2,048,720
Bureau of Dairy Industry: Salaries and expenses.....	355	1,572,755	1,656,300	-----	1,574,046	1,648,000	179,027
Bureau of Agricultural and Industrial Chemistry: Salaries and expenses.....	355	7,499,522	7,725,000	-----	7,252,629	7,669,100	1,328,000
Bureau of Plant Industry, Soils, and Agricultural Engineering: Salaries and expenses.....	355	11,479,502	12,248,000	-----	11,389,730	12,300,000	1,735,021
Bureau of Entomology and Plant Quarantine:							
Salaries and expenses.....	355	12,172,368	12,744,830	-----	11,809,754	12,475,000	1,556,177
Control of emergency outbreaks of insects and plant diseases.....	355	500,000	-----	-----	523,049	50,369	-----
Total current authorizations, other than revolving and management funds.....	-----	993,076,766	1,111,420,557	972,388,813	1,147,421,816	1,180,485,911	1,083,517,270
Permanent authorizations (Indefinite appropriation, special account unless otherwise indicated)							
Extension Service: Cooperative agricultural extension work (indefinite appropriation, general account).....	355	4,711,200	4,711,200	-----	4,709,105	4,711,571	-----
Forest Service:							
Acquisition of lands and construction of improvements, Coronado National Forest.....	402	-----	-----	-----	4	14,000	2,173
Expenses, brush disposal.....	402	2,497,511	2,600,000	2,600,000	1,767,892	2,500,000	2,586,000
Forest fire prevention.....	402	8,785	25,000	35,000	-----	30,000	33,500
Payment to Minnesota (Cook, Lake, and St. Louis Counties) from the national forest fund.....	402	45,006	45,332	45,332	45,006	45,332	45,332
Payments due counties, submarginal land program, Farm Tenant Act.....	354	448,049	437,500	362,500	448,052	437,500	362,500
Payments to school funds, Arizona and New Mexico, Act of June 20, 1910 (receipt limitation) (indefinite appropriation, general account).....	402	131,588	122,755	122,755	131,588	122,755	122,755
Payments to States and Territories from the national forests fund.....	402	17,377,877	18,649,794	18,800,000	17,432,391	18,650,243	18,800,000
Roads and trails for States, national forest fund.....	402	6,952,610	7,460,971	7,520,000	7,253,669	8,300,000	7,875,000
Agricultural Marketing Service:							
Perishable Agricultural Commodities Act fund.....	355	428,839	410,000	410,000	399,032	416,300	421,300
Removal of surplus agricultural commodities (indefinite appropriation, general account).....	351	181,040,312	169,954,002	180,000,000	82,284,700	204,972,000	233,109,400
Total permanent authorizations.....	-----	213,641,777	204,416,554	209,895,587	114,471,439	240,199,701	263,351,960
Revolving and management funds							
Public enterprise funds (see "New authorizations" and "Funds applied" in detail section below).....	-----	302,793,936	405,003,131	-----	3,450,170,415	4,941,368,043	3,408,703,454
Intragovernmental funds (see "Net effect on budget expenditures" in detail section below).....	-----	-----	-----	-----	* 1,884,229	* 49,420	1,082,400
Total revolving and management funds.....	-----	302,793,936	405,003,131	-----	3,448,286,186	4,941,318,623	3,409,785,854
Total enacted or recommended.....	-----	1,509,512,479	1,720,840,242	1,182,284,400	4,710,179,441	6,362,004,235	4,756,655,084

\* Deduct, excess of repayments and collections over expenditures.



## BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

## BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)		
		1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
PROPOSED FOR LATER TRANSMISSION							
Under existing legislation							
Forest Service: Salaries and expenses.....	402		\$3,000,000		\$2,500,000	\$500,000	
Commodity Credit Corporation: Authorization to expend from public debt receipts, cancellation of notes:							
Capital impairment.....	351		642,000,000				
International wheat agreement.....	351		130,867,992				
Eradication of foot-and-mouth disease.....	355		2,086,770				

## REVOLVING AND MANAGEMENT FUNDS

(Including budget authorizations therefor from the general fund)

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (authorizations to expend from public debt receipts unless otherwise specified)			FUNDS PROVIDED (by operations)		
		1953	1954	1955	1953	1954	1955
ENACTED OR RECOMMENDED IN THIS DOCUMENT							
Public enterprise funds							
Commodity Credit Corporation:							
Limitation on administrative expenses.....	351	(\$16,492,110)	(\$17,100,000)	(\$18,000,000)			
Restoration of capital impairment due to cancellation of notes.....	351	109,391,154	96,205,161				
Price support, supply, and related programs.....	351				\$1,382,364,705	\$3,243,719,958	\$2,120,316,133
Transfers and other costs for eradication of foot-and-mouth disease.....	355	11,240,532	7,057,575				
International Wheat Agreement costs.....	351	182,162,250	171,740,395				
Emergency assistance to Pakistan—wheat.....	152						
Emergency feed program—cost of commodities.....	352					87,005,937	
Loan to Secretary of Agriculture for conservation program.....	354				57,000,000	14,410,222	31,000,000
Total, Commodity Credit Corporation.....		302,793,936	275,003,131		1,439,364,705	3,345,136,117	2,151,316,133
Federal Crop Insurance Corporation: Capital and insurance fund.....	351				21,822,833	27,896,215	29,557,000
Farmers' Home Administration: Farm tenant-mortgage insurance fund.....	352				778,070	1,120,800	1,178,000
Office of the Secretary: Disaster loan revolving fund.....	352		130,000,000		31,289,838	45,337,336	81,056,950
Total public enterprise funds.....		302,793,936	405,003,131		1,493,255,446	3,419,490,468	2,263,108,083
Intragovernmental funds							
Agricultural Research Service: Working capital fund, Agricultural Research Center.....	355				1,693,833	1,785,000	1,795,000
Commodity Stabilization Service:							
Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.....	354				12,282,185	15,317,476	13,567,986
Local administration, sec. 388, Agricultural Adjustment Act of 1938.....	354				38,687,390	98,912,782	80,856,266
Office of the Secretary: Working capital fund.....	355				2,016,695	1,801,828	1,740,000
Consolidated working fund.....	355				3,320,234	550,746	
Total intragovernmental funds.....					58,000,337	118,367,832	97,959,252
Total revolving and management funds.....		302,793,936	405,003,131		1,551,255,783	3,537,858,300	2,361,067,335

## BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

## BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)		
		1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
PROPOSED FOR LATER TRANSMISSION—Continued							
Under proposed legislation							
Commodity Credit Corporation: Authorization to expend from public debt receipts:							
To increase national cotton acreage allotment.....	351			\$330,000,000			
Other.....	351			1,420,000,000			
Soil Conservation Service: Watershed protection.....	354			3,000,000			\$2,400,000
Total proposed for later transmission.....			\$777,954,762	1,753,000,000		\$2,500,000	2,900,000
Grand total.....		\$1,509,512,479	2,498,795,004	2,935,284,400	\$4,710,179,441	6,364,504,235	4,759,555,084
Deduct receipts of public enterprise funds (see “Funds provided” in detail section below).....					1,493,255,446	3,419,490,468	2,263,108,083
Total new obligational authority and net budget expenditures.....		1,509,512,479	2,498,795,004	2,935,284,400	3,216,923,995	2,945,013,767	2,496,447,001

## REVOLVING AND MANAGEMENT FUNDS

(Including budget authorizations therefor from the general fund)

FUNDS APPLIED (to operations)			NET EFFECT ON BUDGET EXPENDITURES			Organization unit and account title
1953	1954	1955	1953	1954	1955	
						<b>ENACTED OR RECOMMENDED IN THIS DOCUMENT</b>
						<b>Public enterprise funds</b>
						<b>Commodity Credit Corporation:</b>
						Limitation on administrative expenses
						Restoration of capital impairment due to cancellation of notes
						Price support, supply, and related programs
						Transfers and other costs for eradication of foot-and-mouth disease
						International Wheat Agreement costs
						Emergency assistance to Pakistan—wheat
						Emergency feed program—cost of commodities
						Loan to Secretary of Agriculture for conservation program
						Total, Commodity Credit Corporation
						<b>Federal Crop Insurance Corporation:</b> Capital and insurance fund
						<b>Farmers' Home Administration:</b> Farm tenant-mortgage insurance fund
						<b>Office of the Secretary:</b> Disaster loan revolving fund
						Total public enterprise funds
						<b>Intragovernmental funds</b>
						<b>Agricultural Research Service:</b> Working capital fund, Agricultural Research Center.
						<b>Commodity Stabilization Service:</b>
						Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938
						Local administration, sec. 388, Agricultural Adjustment Act of 1938
						<b>Office of the Secretary:</b> Working capital fund
						<b>Consolidated working fund</b>
						Total intragovernmental funds
						Total revolving and management funds

• Deduct, excess of repayments and collections over expenditures.



## CURRENT AUTHORIZATIONS

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

## Salaries and Expenses, Agricultural Research Service

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate insect pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: Provided, That not to exceed \$15,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55 (a)): Provided further, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase (for replacement only) of not to exceed one, and the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$10,000 and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or two per centum of the cost of the building, whichever is greater:

Research: For research and demonstrations on the production and utilization of agricultural products, and related research and services, including administration of payments to State Agricultural Experiment Stations; \$35,353,000, of which not to exceed \$20,000 shall be available for the construction of an office and a laboratory building at the Southeastern Tidewater Field Station, Fleming, Georgia.

Plant and animal disease and pest control: For operations and measures to control and eradicate insect pests and plant and animal diseases and for carrying out assigned inspection, quarantine and regulatory activities, as authorized by law; \$15,000,000, of which \$500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e) to the extent necessary to meet emergency conditions: Provided further, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm crops, or other property injured or destroyed as a result of plant insect and disease control activities except potatoes and tomatoes as authorized under the Golden Nematode Act: Provided further, That, in the discretion of the Secretary, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose, or for barberry eradication until a sum or sums at least equal to such expenditures shall have been made available by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act.

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products; \$14,325,000. (5 U. S. C. 511-512, 524, 563-564, 565a, 576; 7 U. S. C. 135-135b, 141-167, 281-283, 361-363, 365-383, 385-386f, 391, 394-396, 401-404, 421-422a, 424-425, 427-427g, 429-431, 433-434, 436-437, 441, 851-855, 1292; 15 U. S. C. 69c; 16 U. S. C. 581-581a, 581f, 590a-590b, 590f; 19 U. S. C. 1201, 1306; 20 U. S. C. 191-194; 21 U. S. C. 71-96, 101-105, 111-128, 130-131, 151-158; 26 U. S. C. 2325, 2326c; 31 U. S. C. 725a; 45 U. S. C. 71-74; 46 U. S. C. 466a-466b; 48 U. S. C. 198, 1409m-1409o; 49 U. S. C. 177e, 181b; 46 Stat. 67; Public Res. 47, approved May 21, 1928; Public Res. 42, approved Feb. 8, 1930; Act of Aug. 8, 1953, Public Law 227; Department of Agriculture Appropriation Act, 1954.)

Estimate 1955, \* \$64,678,000

\* Estimate is for activities previously carried under appropriations as follows:

"Salaries and expenses, Office of Administrator, Agricultural Research Administration"	\$341,677
"Salaries and expenses, Office of Experiment Stations, Agricultural Research Administration"	369,750
"Virgin Islands agricultural program, Office of Experiment Stations, Agricultural Research Administration"	95,180
"Research on agricultural problems of Alaska, Office of Experiment Stations, Agricultural Research Administration"	270,000
"Salaries and expenses, Bureau of Human Nutrition and Home Economics, Agricultural Research Administration"	1,554,500
"Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration"	26,395,335
"Salaries and expenses, Bureau of Dairy Industry, Agricultural Research Administration"	1,795,500
"Salaries and expenses, Bureau of Agricultural and Industrial Chemistry, Agricultural Research Administration"	8,400,000
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration"	12,189,860
"Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration"	10,104,982
"Salaries and expenses, Forest Service"	182,936
"Conservation operations, Soil Conservation Service"	607,180
"Salaries and expenses, Bureau of Agricultural Economics"	1,416,000
"Salaries and expenses, marketing services, Production and Marketing Administration"	582,475
"Agricultural Marketing Act, Agriculture"	310,625
"Resources management, Bureau of Indian Affairs"	62,000

The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate			\$64,678,000
Reimbursements from non-Federal sources			2,780,100
Reimbursements from other accounts			707,354
Obligations incurred			68,165,454
Comparative transfer from—			
"Agricultural Marketing Act, Agriculture"			
Direct appropriation	\$267,553	\$310,625	
Reimbursements from non-Federal sources	527		
Reimbursements from other accounts	1,494		
"Salaries and expenses, Office of Administrator, Agricultural Research Administration"	329,754	341,677	
"Salaries and expenses, Office of Experiment Stations, Agricultural Research Administration"	374,305	369,750	
"Virgin Islands agricultural program, Office of Experiment Stations, Agricultural Research Administration"			
Direct appropriation	98,708	95,180	
Reimbursements from other accounts	3,037	5,000	
"Research on agricultural problems of Alaska, Office of Experiment Stations, Agricultural Research Administration"	268,756	270,000	
"Salaries and expenses, Bureau of Human Nutrition and Home Economics, Agricultural Research Administration"			
Direct appropriation	1,393,650	1,404,500	
Reimbursements from non-Federal sources	37	1,500	
Reimbursements from other accounts	317	300	
"Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration"			
Direct appropriation	26,180,238	26,688,200	
Reimbursements from non-Federal sources	2,656,920	2,613,900	
Reimbursements from other accounts	645,058	863,962	
"Salaries and expenses, Bureau of Dairy Industry, Agricultural Research Administration"			
Direct appropriation	1,575,999	1,656,300	
Reimbursements from non-Federal sources	988	500	
Reimbursements from other accounts	3,106	3,500	
"Salaries and expenses, Bureau of Agricultural and Industrial Chemistry, Agricultural Research Administration"			
Direct appropriation	7,269,288	7,725,000	
Reimbursements from non-Federal sources	2,214	1,200	
Reimbursements from other accounts	603		
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration"			
Direct appropriation	10,610,580	11,307,860	
Reimbursements from non-Federal sources	23,254	22,500	
Reimbursements from other accounts	160,850	136,164	
"Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration"			
Direct appropriation	11,773,238	12,115,982	
Reimbursements from non-Federal sources	106,216	88,600	
Reimbursements from other accounts	25,943		
"Salaries and expenses, Bureau of Agricultural Economics"			
Direct appropriation	1,223,648	1,218,000	
Reimbursements from non-Federal sources	595	2,000	
Reimbursements from other accounts	16,519	20,500	
"Salaries and expenses, Forest Service"	180,936	180,936	
"Forest roads and trails, Forest Service"	2,000	2,000	
"Conservation operations, Soil Conservation Service"			
Direct appropriation	620,119	627,180	
Reimbursements from non-Federal sources	7,312	475	
Reimbursements from other accounts	9,856	11,036	
"Salaries and expenses, marketing services, Production and Marketing Administration"			
Direct appropriation	626,419	637,825	
Reimbursements from other accounts	4,657	1,400	
"Resources management, Bureau of Indian Affairs"	55,868	62,000	
Total obligations	66,520,592	68,785,552	68,165,454

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of charts (7 U. S. C. 1387) and personal property (40 U. S. C. 481 (c)) and from payments by non-Federal agencies for overtime work and travel performed at meatpacking and veterinary biological establishments and for plant-quarantine inspections (5 U. S. C. 576; 7 U. S. C. 394, 396).



## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Research:			
(a) Crop research.....	\$10,507,839	\$11,222,000	\$11,659,000
(b) Farm and land management research.....	5,879,683	5,902,000	6,700,000
(c) Livestock research.....	5,089,742	5,357,365	5,603,000
(d) Administration of payments to States, and Territorial research.....	755,820	750,000	750,000
(e) Human nutrition and home economics research.....	1,413,056	1,430,000	1,580,000
(f) Utilization research.....	7,712,929	8,241,000	9,061,000
Subtotal.....	31,359,069	32,902,365	35,353,000
2. Plant and animal disease and pest control:			
(a) Plant disease and pest control.....	9,030,686	9,384,350	7,143,000
(b) Animal disease and pest control.....	8,277,090	8,536,300	7,857,000
Subtotal.....	17,307,776	17,920,650	15,000,000
3. Meat inspection.....	14,184,214	14,190,000	14,325,000
4. Obligations under reimbursements from non-Federal sources.....	2,798,063	2,730,675	2,780,100
Total direct obligations.....	65,649,122	67,743,690	67,458,100
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Research:			
(a) Crop research.....	82,566	63,900	61,050
(b) Farm and land management research.....	109,557	103,800	75,250
(c) Livestock research.....	201,547	72,623	66,100
(d) Administration of payments to States, and Territorial research.....	3,037	5,000	5,000
(e) Human nutrition and home economics research.....	317	300	-----
(f) Utilization research.....	603	-----	-----
Subtotal.....	397,627	245,623	207,460
2. Plant and animal disease and pest control:			
(a) Plant disease and pest control.....	27,051	1,400	1,400
(b) Animal disease and pest control.....	-----	204,000	-----
Subtotal.....	27,051	205,400	1,400
3. Meat inspection.....	352,335	395,000	395,000
4. Other services performed.....	94,457	195,839	103,494
Total obligations payable out of reimbursements from other accounts.....	871,470	1,041,862	707,354
Total obligations.....	66,520,592	68,785,552	68,165,454

## PROGRAM AND PERFORMANCE

The Agricultural Research Service conducts fundamental and applied research and demonstrations relating to the production and utilization of agricultural products, and conducts those control and regulatory programs of the Department which involve enforcement of plant and animal quarantines, meat inspection, the control of diseases and insect pests of animals and plants, and related work.

The proposed net decrease consists of: (a) Increases to expand and strengthen research relating to the production and utilization of agricultural products; (b) decreases in certain control and regulatory activities on insects and plant and animal diseases; and (c) an increase for additional inspectors at meatpacking plants.

1. *Research*—(a) *Crop research*.—Investigations are conducted to develop improved varieties of food, feed, fiber, and other plants; to improve crop production practices including methods to control plant diseases; to control harmful and utilize beneficial insects affecting farm production; and to develop and test new chemical formulations for the control of crop pests.

(b) *Farm and land management research*.—Investigations are conducted to improve fertilizers and soil management and irrigation practices; to develop and improve

conservation practices and techniques; to determine the relation of soils to plant, animal and human nutrition; and to apply engineering principles to agriculture. Economics of production research is conducted on profitable adjustments in farming by type and size of farm; efficiency in use of labor, equipment, land, and water; inventory and analysis of land resources; and problems of farm valuation, taxation, debt, tenure, risk, and insurance.

(c) *Livestock research*.—Investigations are conducted on all farm livestock, poultry, and domestic fur animals to develop superior strains and types, establish nutritive requirements, determine physiology of reproduction, achieve efficient use of feed and forage in the production of meat, milk, eggs, wool, fur, and other products; develop practical methods of control of diseases and of parasites affecting livestock; and develop improved and efficient management methods and practices.

(d) *Administration of payments to States, and Territorial research*.—Research under Federal grant funds at each State agricultural experiment station is administered and coordinated with the research conducted by other States and by agencies of the United States Department of Agriculture. Agricultural experiment stations are operated in Puerto Rico, Virgin Islands, and Alaska.

(e) *Human nutrition and home economics research*.—Investigations are conducted on nutritional requirements; the composition and nutritive value of various foods; the principles of utilization underlying consumer selection, preparation, and preservation of foods. Studies are also made of the practices and problems of families in the buying, utilization, and management of food, clothing, housing facilities and other items, and the kind of living achieved by various population groups.

(f) *Utilization research*.—Investigations are conducted in the field of chemistry and related physical and biological sciences to develop new and improved foods, feeds, drugs, fabrics, industrial chemicals, and other products from agricultural commodities; to devise improved methods for evaluating the suitability of commodities for processing; to devise better processing methods; to increase the use of byproducts; and to solve waste disposal problems.

2. *Plant and animal disease and pest control*—(a) *Plant disease and pest control*.—The work consists of insect and plant disease control and plant quarantine measures designed to protect agriculture from destructive insects and plant diseases. The Federal Insecticide, Fungicide, and Rodenticide Act is administered and enforced.

(b) *Animal disease and pest control*.—Measures are devised to exclude from this country communicable diseases of foreign origin; to prevent the spread of diseases through interstate shipments of livestock or distribution of impure or impotent veterinary biologics; to control and eradicate livestock diseases; to maintain, through a marketing agreement with manufacturers and handlers, adequate supplies of hog cholera virus and serum for protection of swine; and to provide continuous inspection of the manufacture of process butter.

3. *Meat inspection*.—Federal meat inspection is conducted to assure a clean and wholesome meat supply for human consumption. The work includes inspection of animals, carcasses and meat, and meat-food products at various stages of handling and processing. Measures are enforced to insure informative labeling and meats imported or exported are inspected. Meat and meat-food



**AGRICULTURAL RESEARCH SERVICE—Con.****SALARIES AND EXPENSES—continued****Salaries and Expenses, Agricultural Research Service—Continued**

products are examined for compliance with specifications of governmental purchasing agencies for which reimbursements are received. Reimbursements are also received from meat-packing establishments for the cost of overtime work performed at their request.

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	11,635	11,511	11,569
Full-time equivalent of all other positions.....	686	699	622
Average number of all employees.....	11,275	11,604	11,529
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary.....	\$4,869	\$4,916	\$4,944
Average grade.....	GS-7.0	GS-7.1	GS-7.1
<i>Personal service obligations:</i>			
Permanent positions.....	\$50,264,670	\$51,966,000	\$52,342,000
Other positions.....	1,785,930	1,794,000	1,624,000
Regular pay in excess of 52-week base.....	191,346	202,000	203,000
Payment above basic rates.....	2,577,172	2,550,000	2,479,000
Other payments for personal services.....	3,048	2,000	-----
Total personal service obligations.....	54,822,166	56,514,000	56,648,000
<i>Direct Obligations</i>			
01 Personal services.....	54,132,719	55,600,000	56,000,000
02 Travel.....	1,826,550	1,846,000	1,810,000
03 Transportation of things.....	249,138	269,000	278,000
04 Communication services.....	323,264	442,000	470,000
05 Rents and utility services.....	585,894	609,000	622,000
06 Printing and reproduction.....	417,067	468,000	468,000
07 Other contractual services.....	1,570,442	1,728,000	1,798,000
Services performed by other agencies.....	881,767	867,000	856,000
08 Supplies and materials.....	3,377,145	3,465,000	3,120,000
09 Equipment.....	1,229,485	1,315,000	1,429,000
10 Lands and structures.....	98,440	100,000	50,000
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	4,046	4,300	4,300
Brucellosis indemnities.....	626,477	443,000	-----
Golden nematode control indemnities.....	33,900	45,000	35,000
Tuberculosis indemnities.....	277,368	230,500	-----
Federal tort claims.....	12,686	-----	-----
15 Taxes and assessments.....	86,516	97,690	103,600
Contingency fund.....	-----	300,000	500,000
Subtotal.....	65,732,904	67,829,490	67,543,900
Deduct charges for quarters and subsistence.....	83,782	85,800	85,800
Total direct obligations.....	65,649,122	67,743,690	67,458,100
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	689,447	914,000	648,000
02 Travel.....	44,966	12,000	8,000
03 Transportation of things.....	4,994	3,000	2,000
04 Communication services.....	3,354	4,000	2,000
05 Rents and utility services.....	7,279	7,000	6,000
06 Printing and reproduction.....	3,715	4,000	1,000
07 Other contractual services.....	47,455	31,000	13,000
08 Supplies and materials.....	62,557	64,000	25,000
09 Equipment.....	6,251	2,000	2,000
13 Refunds, awards, and indemnities.....	21	-----	-----
15 Taxes and assessments.....	1,431	862	354
Total obligations payable out of reimbursements from other accounts.....	871,470	1,041,862	707,354
Total obligations.....	66,520,592	68,785,552	68,165,454

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Obligations incurred during the year.....	-----	-----	\$68,165,454
Deduct:			
Reimbursements.....	-----	-----	3,487,454
Unliquidated obligations, end of year.....	-----	-----	6,478,000
Total expenditures (out of current authorizations).....	-----	-----	58,200,000

**PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO****Payments to States, Hawaii, Alaska, and Puerto Rico, Agricultural Research Service**

For payments to the States, Hawaii, Alaska, and Puerto Rico to be paid quarterly in advance where applicable, to carry into effect the provisions of the following Acts relating to agricultural experiment stations:

Hatch Act, the Act approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), \$720,000; Adams Act, the Act approved March 16, 1906 (7 U. S. C. 369), \$720,000; Purnell Act, the Act approved February 24, 1925 (7 U. S. C. 361, 366, 370, 371, 373-376, 380, 382), \$2,880,000; Bankhead-Jones Act, title I of the Act approved June 29, 1935 (7 U. S. C. 427-427g), sections 3 and 5, \$2,863,708, and sections 9 and 11 of said Act as added by the Act of August 14, 1946 (7 U. S. C. 427h, 427j), including administration by the Office of Experiment Stations in the United States Department of Agriculture, [\$6,000,000] \$11,500,000, no part of which latter amount shall be used for beginning construction of any building costing in excess of \$15,000; Hawaii, the Act approved May 16, 1928 (7 U. S. C. 386-386b), extending the benefits of certain Acts of Congress to the Territory of Hawaii, \$90,000; Alaska, the Act approved February 23, 1929 (7 U. S. C. 386c), extending the benefits of the Hatch Act to the Territory of Alaska, \$15,000, and the provisions of section 2 of the Act approved June 20, 1936, as amended (7 U. S. C. 369a), extending the benefits of the Adams and Purnell Acts to the Territory of Alaska, \$75,000; Puerto Rico, the Act approved March 4, 1931, as amended (7 U. S. C. 386d-386f), extending the benefits of certain Acts of Congress to Puerto Rico, \$90,000; section 204 (b) of the *Agricultural Marketing Act*, the Act approved August 14, 1946 (7 U. S. C. 1623), \$500,000; in all, payments to States, Hawaii, Alaska, and Puerto Rico, [\$13,453,708] \$19,453,708. (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, \$13,453,708 Estimate 1955, \$19,453,708

\* Includes \$500,000 for activities previously carried under "Agricultural Marketing Act, Agriculture." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$12,441,208	\$13,453,708	\$19,453,708
Unobligated balance, estimated savings.....	—27,414	-----	-----
Obligations incurred.....	12,413,794	13,453,708	19,453,708
Comparative transfer from "Agricultural Marketing Act, Agriculture".....	255,200	268,000	-----
Total obligations.....	12,668,994	13,721,708	19,453,708

**OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
1. Payments to agricultural experiment stations.....	\$12,520,918	\$13,541,708	\$19,108,708
2. Federal administration under Bankhead-Jones Act, sec. 9, title I (act of June 29, 1935), as amended by the act of Aug. 14, 1946 (Research and Marketing Act of 1946).....	148,076	180,000	345,000
[Total obligations.....	12,668,994	13,721,708	19,453,708

**PROGRAM AND PERFORMANCE**

Funds are allotted to the agricultural experiment stations of the land-grant colleges in the States, Hawaii, Alaska, and Puerto Rico for agricultural research, including investigations and experiments to promote a permanent and efficient agricultural industry and improvements in the rural home and rural life. The allotments are made partly on the basis of prescribed amounts in the authorizing acts and partly on the basis of need in specific areas to find solutions to agricultural problems. The States are contributing about \$5 to each \$1 paid by the Federal Government.

The increase proposed is primarily for strengthening the research program at the State, Territorial, and Puerto Rico agricultural experiment stations.



## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	22	25	50
Average number of all employees.....	22	25	48
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,905	\$6,420	\$6,228
Average grade.....	GS-8.2	GS-8.8	GS-9.0
01 Personal services:			
Permanent positions.....	\$126,849	\$155,245	\$296,100
Other positions.....	486	455	-----
Regular pay in excess of 52-week base.....	515	700	1,000
Payment above basic rates.....	205	400	800
Total personal services.....	128,055	156,800	297,900
02 Travel.....	14,429	17,000	30,000
03 Transportation of things.....	36	200	1,500
04 Communication services.....	955	1,000	1,500
06 Printing and reproduction.....	3,396	3,000	6,000
07 Other contractual services.....	75	100	300
Services performed by other agencies.....	87	100	200
08 Supplies and materials.....	557	700	1,500
09 Equipment.....	385	1,000	5,800
11 Grants, subsidies, and contributions:			
Hatch Act, approved Mar. 2, 1887.....	719,533	720,000	720,000
Adams Act, approved Mar. 16, 1906.....	719,986	720,000	720,000
Purnell Act, approved Feb. 24, 1925.....	2,879,798	2,880,000	2,880,000
Bankhead-Jones Act, secs. 3 and 5, title I, (act of June 29, 1935).....	2,863,313	2,863,708	2,863,708
Bankhead-Jones Act, secs. 9 and 11, title I, of the act approved June 29, 1935, as amended by the act of Aug. 14, 1946 (Research and Marketing Act of 1946).....	4,828,051	5,820,000	11,155,000
Hawaii Act, approved May 16, 1928.....	90,000	90,000	90,000
Alaska Act, approved Feb. 23, 1929.....	15,000	15,000	15,000
Alaska Act, approved June 20, 1936, as amended by the act of Aug. 29, 1950.....	62,500	75,000	75,000
Puerto Rico Act, approved Mar. 4, 1931.....	89,537	90,000	90,000
Agricultural Marketing Act (title II), sec. 204 (b), approved Aug. 14, 1946.....	255,200	268,000	500,000
15 Taxes and assessments.....	71	100	300
Total obligations.....	12,668,994	13,721,708	19,453,708

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$14,670	\$16,027	\$15,735
Obligations incurred during the year.....	12,413,794	13,453,708	19,453,708
	12,428,464	13,469,735	19,469,443
Deduct:			
Adjustment in obligations of prior years.....	8,272	-----	-----
Unliquidated obligations, end of year.....	16,027	15,735	19,443
Total expenditures.....	12,404,165	13,454,000	19,450,000
Expenditures are distributed as follows:			
Out of current authorizations.....	12,397,767	13,440,000	19,435,000
Out of prior authorizations.....	6,398	14,000	15,000

## RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS

## Research on Strategic and Critical Agricultural Materials, Agriculture

For expenses necessary [to enable the Secretary] to carry out [his responsibilities under] section 7 (b) of the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98f), [\$439,500] \$331,500: *Provided*, That this appropriation shall be subject to applicable provisions contained in the item "[Office of Administrator] Salaries and expenses, Agricultural Research [Administration] Service". (*Department of Agriculture Appropriation Act, 1954*.)

Appropriated 1954, \$439,500

Estimate 1955, \$331,500

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$600,000	\$439,500	\$331,500
Reimbursements from non-Federal sources.....	147	500	200
Reimbursements from other accounts.....	2,974	3,000	-----
Total available for obligation.....	603,121	443,000	331,700
Unobligated balance, estimated savings.....	40,589	-----	-----
Obligations incurred.....	562,532	443,000	331,700

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Research on domestic production of natural rubber.....	\$200,032	\$108,000	-----
2. Investigations of domestic production of vegetable tannins.....	105,470	104,000	\$104,000
3. Investigations on vegetable fats and oils.....	166,177	116,000	116,000
4. Investigations on fiber plants.....	87,732	111,500	111,500
5. Obligations under reimbursements from non-Federal sources.....	147	500	200
Total direct obligations.....	559,558	440,000	331,700
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Research on domestic production of natural rubber.....	2,974	3,000	-----
Obligations incurred.....	562,532	443,000	331,700

## PROGRAM AND PERFORMANCE

On recommendation and approval of the Office of Defense Mobilization, investigations are made of the feasibility of developing domestic sources of supplies of any agricultural material or substitute for it determined by that Office to be strategic and critical. The proposed decrease results from elimination of all research on guayule.

1. *Research on domestic production of natural rubber.*—Investigations were carried on in 1953 and 1954 to make the guayule plant more usable, and to improve the quality of rubber from it.

2. *Investigations of domestic production of vegetable tannins.*—These studies aim at domestic production of crops from which materials for tanning leather can be derived, and development of methods of extracting such materials.

3. *Investigations on vegetable fats and oils.*—These studies seek to develop the domestic production of castor beans.

4. *Investigations on fiber plants.*—This work centers on the domestic production of fibers that can be used for such purposes as lines and ropes on naval vessels and as substitutes for jute.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	91	69	51
Full-time equivalent of all other positions.....	18	11	8
Average number of all employees.....	97	78	57
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,845	\$4,457	\$4,645
Average grade.....	GS-7.1	GS-6.4	GS-6.8
Crafts, protective, and custodial grades:			
Average salary.....	\$2,831	\$2,763	\$2,737
Average grade.....	CPC-3.3	CPC-2.8	CPC-2.3
Ungraded positions: Average salary.....	\$3,300	\$3,490	\$3,683
Personal service obligations:			
Permanent positions.....	\$365,260	\$282,750	\$214,750
Other positions.....	47,696	30,300	21,400
Regular pay in excess of 52-week base.....	1,069	950	750
Payment above basic rates.....	182	-----	-----
Total personal service obligations.....	414,207	314,000	236,900
<i>Direct Obligations</i>			
01 Personal services.....	414,101	313,900	236,900
02 Travel.....	10,781	10,700	8,900
03 Transportation of things.....	6,398	6,900	6,700
04 Communication services.....	2,425	3,200	2,500
05 Rents and utility services.....	23,003	18,400	11,000
06 Printing and reproduction.....	102	200	200
07 Other contractual services.....	23,179	26,300	14,200
Services performed by other agencies.....	7,876	8,400	8,300
08 Supplies and materials.....	37,832	32,500	24,100
09 Equipment.....	33,540	19,600	17,700
15 Taxes and assessments.....	1,577	1,500	1,200
Subtotal.....	560,814	441,600	331,700



**AGRICULTURAL RESEARCH SERVICE—Con.****RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS—continued****Research on Strategic and Critical Agricultural Materials, Agriculture—Continued****OBLIGATIONS BY OBJECTS—continued**

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations—Continued</i>			
Deduct charges for quarters and subsistence.....	\$1,256	\$1,600	
Total direct obligations.....	559,558	440,000	\$331,700
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	106	100	
04 Communication services.....	8		
07 Other contractual services.....	2,860	2,900	
Total obligations payable out of reimbursements from other accounts.....	2,974	3,000	
Obligations incurred.....	562,532	443,000	331,700

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$133,440	\$84,804	\$70,804
Obligations incurred during the year.....	562,532	443,000	331,700
	695,972	527,804	402,504
Deduct:			
Adjustment in obligations of prior years.....	4,347		
Reimbursements.....	3,121	3,500	200
Obligated balance carried to certified claims account.....	1,071		
Unliquidated obligations, end of year.....	84,804	70,804	49,304
Total expenditures.....	602,629	453,500	353,000
Expenditures are distributed as follows:			
Out of current authorizations.....	493,156	390,000	310,000
Out of prior authorizations.....	109,473	63,500	43,000

**ERADICATION OF FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS AND POULTRY****Eradication of Foot-and-Mouth and Other Contagious Diseases of Animals and Poultry, Agricultural Research Service**

For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, including the payment of claims growing out of destruction of animals (including poultry) affected by or exposed to, or of materials contaminated by or exposed to, any such disease, when there has been compliance with all lawful quarantine regulations, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, and the Act of May 29, 1934, as amended (7 U. S. C. 391; 21 U. S. C. 111-122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, but not to exceed \$2,650,000 for eradication of vesicular exanthema of swine, to be available only in an emergency which threatens the livestock or poultry industry of the country, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts: *Provided*, That, except for payments made pursuant to said Act of February 28, 1947, the payment for animals may be made on appraisement based on the meat, egg-production, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat, egg-production, or dairy value and, except in case of an extraordinary emergency to be determined by the Secretary, the payment by the United States shall not exceed one-half of any such appraisements: *Provided further*, That poultry may be appraised in groups when the basis for appraisal is the same for each bird: *Provided further*, That this appropriation shall be subject to applicable provisions contained in the item "Office of Administrator Salaries and expenses, Agricultural Research Administration Service": *Provided further*, That the Secretary of the Treasury is

hereby authorized and directed to discharge indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury by canceling notes issued by the Corporation to the Secretary of the Treasury in the amount of \$7,057,575 for funds transferred and expenses incurred under this head through fiscal year 1952 (including interest thereon through June 30, 1953) pursuant to authority granted in the Department of Agriculture Appropriation Act, 1952]. (Department of Agriculture Appropriation Act, 1954.)

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Transferred from—			
"Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration," pursuant to 66 Stat. 354.....	\$195,000		
"Control of emergency outbreaks of insects and plant diseases, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration," pursuant to 66 Stat. 354.....	500,000		
"Conservation operations, Soil Conservation Service," pursuant to 66 Stat. 354.....	208,000		
"Operating and administrative expenses, Federal Crop Insurance Corporation," pursuant to 66 Stat. 354.....	1,052,200		
"Control of forest pests, Agriculture," pursuant to 66 Stat. 354.....	172,800		
Adjusted appropriation or estimate.....	2,128,000		
Prior year balance reappropriated.....	396,934	\$530,818	
Balance transferred from—			
"Agricultural conservation program, Agriculture," pursuant to Public Law 156.....		2,172,134	
"Grants, farm housing, Farmers' Home Administration, Department of Agriculture," pursuant to Public Law 156.....		122,252	
Reimbursements from Commodity Credit Corporation—loans.....	1,988,000		
Total available for obligation.....	4,512,934	2,825,204	
Balance reappropriated for subsequent year.....	—530,818		
Obligations incurred.....	3,982,116	2,825,204	

**OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
1. Eradication of foot-and-mouth disease.....	\$2,214,061	\$170,873	
2. Eradication of vesicular exanthema of swine.....	1,752,386	2,650,000	
3. Eradication of scrapie of sheep.....	15,669	4,331	
Obligations incurred.....	3,982,116	2,825,204	

**PROGRAM AND PERFORMANCE**

After discovery of foot-and-mouth disease in Mexico in 1946, measures were undertaken to prevent the spread of the disease into the United States and to assist Mexico in control and eradication. Eradication of the disease was accomplished and on September 1, 1952, Mexico was declared free of the disease. However, in May 1953, a new outbreak occurred and cooperative eradication measures have again been undertaken. In February 1952 an outbreak of the disease in Canada made it necessary to undertake protective measures to prevent entry of the disease from that source. Canada was declared free of the disease on March 1, 1953. Due to the unpredictable course of the disease, the Department has been authorized to transfer needed amounts from any funds available to it. Replacements of these transfers have been made from subsequent appropriations and by canceling notes issued by the Commodity Credit Corporation to the Secretary of the Treasury.

On August 1, 1952, an emergency was declared as the result of the spread of vesicular exanthema of swine. The disease has now been identified in 42 States and the



District of Columbia. Cooperative measures have been undertaken to eradicate the disease. Chief means of spread of the disease is through feeding of uncooked garbage. To further eradication efforts, 41 States now have laws or regulations requiring the cooking of garbage fed to swine. The extent of the disease as disclosed by the fall and winter shipping season will indicate the effectiveness of present control measures.

On October 31, 1952, an emergency was declared as the result of the diagnosis of scrapie in California. This destructive virus disease was also diagnosed in Illinois and Ohio in the past fiscal year. Quarantines imposed have been lifted except in Ohio.

Funds for carrying out the eradication of vesicular exanthema and scrapie have been made available from other appropriations of the Department.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	808	442	
Full-time equivalent of all other positions.....	2		
Average number of all employees.....	431	248	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,440	\$3,868	
Average grade.....	GS-7.2	GS-6.0	
Ungraded positions: Average salary.....	\$2,704		
01 Personal services:			
Permanent positions.....	\$1,368,659	\$1,002,810	
Other positions.....	8,169		
Regular pay in excess of 52-week base.....	2,413	4,704	
Payment above basic rates.....	182,246	1,050	
Other payments for personal services.....	3,000		
Total personal services.....	1,564,487	1,008,564	
02 Travel.....	201,324	236,200	
03 Transportation of things.....	69,087	10,100	
04 Communication services.....	9,452	10,400	
05 Rents and utility services.....	8,817	1,000	
06 Printing and reproduction.....	12,883	4,100	
07 Other contractual services.....	127,902	217,300	
Services performed by other agencies.....	80,128	329,890	
08 Supplies and materials.....	90,919	115,581	
09 Equipment.....	52,770	63,330	
13 Refunds, awards, and indemnities:			
Scrapie of sheep.....	15,669	4,331	
Vesicular exanthema of swine.....	1,662,479	800,000	
Payments to Mexican-United States commissions for the eradication and prevention of foot-and-mouth disease.....	73,399	12,173	
Federal tort claims.....	502		
15 Taxes and assessments.....	12,268	12,325	
Obligations incurred.....	3,982,116	2,825,204	

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$881,316	\$1,124,185	\$249,389
Obligations incurred during the year.....	3,982,116	2,825,204	
	4,863,432	3,949,389	249,389
Deduct:			
Adjustment in obligations of prior years.....	179,369		
Reimbursements from Commodity Credit Corporation.....	1,988,000		
Unliquidated obligations, end of year.....	1,124,185	249,389	
Total expenditures.....	1,571,878	3,700,000	249,389
Expenditures are distributed as follows:			
Out of current authorizations.....	1,188,413	2,580,000	
Out of prior authorizations.....	383,465	1,120,000	249,389

## Miscellaneous

## Research Facilities, Agricultural Research Service

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$10,455,698	\$9,949,901	\$469,169
Balance available in subsequent year.....	-9,949,901	-469,169	-35,330
Obligations incurred.....	505,797	9,480,732	433,839

## OBLIGATIONS BY ACTIVITIES

Facilities for research on foot-and-mouth and other diseases of animals—1953, \$505,797; 1954, \$9,480,732; 1955, \$433,839.

## PROGRAM AND PERFORMANCE

The Urgent Deficiency Appropriation Act, 1952, provided \$10,000,000 for a laboratory and related research facilities for investigation of foot-and-mouth and other animal diseases. The funds appropriated are in addition to the unobligated balance of \$456,823 for plans and specifications provided by the Second Deficiency Appropriation Act, 1949.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
AGRICULTURAL RESEARCH SERVICE			
Total number of permanent positions.....	14	7	4
Average number of all employees.....	6	6	3
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,215	\$5,503	\$8,360
Average grade.....	GS-9.0	GS-8.2	GS-13.0
Salaries established under the act of Apr. 24, 1948 (21 U. S. C. 113a): Average salary.....	\$15,000	\$15,000	\$15,000
01 Personal services:			
Permanent positions.....	\$44,310	\$45,045	\$34,803
Other positions.....	113		
Regular pay in excess of 52-week base.....	192	148	
Total personal services.....	44,615	45,193	34,803
02 Travel.....	7,201	10,000	1,000
03 Transportation of things.....	968	100	100
04 Communication services.....	505	600	300
05 Rents and utility services.....	213	2,100	1,000
06 Printing and reproduction.....	1,311	200	200
07 Other contractual services.....	444,124		
Services performed by other agencies.....	1,747		
08 Supplies and materials.....	641	2,900	1,175
09 Equipment.....	30	350,000	150,000
10 Lands and structures.....		8,945,000	
15 Taxes and assessments.....	97	100	100
Obligations incurred.....	501,452	9,356,193	188,678
ALLOCATION TO DEPARTMENT OF THE ARMY			
Total number of permanent positions.....		11	11
Average number of all employees.....	1	18	42
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$5,396	\$5,396
Average grade.....		GS-8.7	GS-8.7
01 Personal services:			
Permanent positions.....	\$3,910	\$108,444	\$221,304
Regular pay in excess of 52-week base.....		228	228
Total personal services.....	3,910	108,672	221,532
02 Travel.....	100	8,129	9,076
03 Transportation of things.....	50	388	727
04 Communication services.....	50	771	1,455
05 Rents and utility services.....	50	388	727
07 Other contractual services.....	200	3,869	7,276
08 Supplies and materials.....	35	2,322	4,368
Obligations incurred.....	4,345	124,539	245,161
SUMMARY			
Total number of permanent positions.....	14	18	15
Average number of all employees.....	7	24	45
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,215	\$5,429	\$5,852
Average grade.....	GS-9.0	GS-8.6	GS-9.4
Salaries established under the act of Apr. 24, 1948 (21 U. S. C. 113a): Average salary.....	\$15,000	\$15,000	\$15,000
01 Personal services:			
Permanent positions.....	\$48,220	\$153,489	\$256,107
Other positions.....	113		
Regular pay in excess of 52-week base.....	192	376	228
Total personal services.....	48,525	153,865	256,335
02 Travel.....	7,301	18,129	10,076
03 Transportation of things.....	968	488	827



**AGRICULTURAL RESEARCH SERVICE—Con.****Miscellaneous—Continued****Research Facilities, Agricultural Research Service—Continued****OBLIGATIONS BY OBJECTS—continued**

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY—continued</b>			
04 Communication services.....	\$555	\$1,371	\$1,755
05 Rents and utility services.....	263	2,488	1,727
06 Printing and reproduction.....	1,311	200	200
07 Other contractual services.....	444,324	3,869	7,276
Services performed by other agencies.....	1,747	-----	-----
08 Supplies and materials.....	676	5,222	5,543
09 Equipment.....	30	350,000	150,000
10 Lands and structures.....	-----	8,945,000	-----
15 Taxes and assessments.....	97	100	100
Obligations incurred.....	505,797	9,480,732	433,839

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	-----	\$418,584	\$7,776,316
Obligations incurred during the year.....	\$505,797	9,480,732	433,839
Deduct unliquidated obligations, end of year.....	505,797	9,899,316	8,210,155
Total expenditures (out of prior authorizations).....	418,584	7,776,316	992,155
	87,213	2,123,000	7,218,000

**Allotments and Allocations Received From Other Appropriation Accounts**

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

- "Flood prevention, Agriculture."
- "Mutual security, funds appropriated to the President."
- "School lunch program, Agricultural Marketing Service."
- "Operating expenses, Atomic Energy Commission."
- "Procurement and production, Army."
- "Quartermaster service, Army."
- "Research and development, Army."
- "Consolidated working fund, Agriculture."

**EXTENSION SERVICE****INTRODUCTORY STATEMENT**

Extension work is a joint undertaking of the U. S. Department of Agriculture, the State land-grant colleges, the counties, and municipalities. It brings to rural people the research results of the Department, the colleges, and other research agencies. Its objective is to help people help themselves to attain greater efficiency in farming, to have better homes, higher standards of living, and a more effective system of marketing and distribution.

**PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO****Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service**

[For payments to the States, Hawaii, Alaska, and Puerto Rico, for cooperative agricultural extension work as follows:]

[Capper-Ketcham Act, the Act approved May 22, 1928 (7 U. S. C. 343a, 343b), \$1,480,000; Bankhead-Jones Act, section 21, title II, of the Act approved June 29, 1935 (7 U. S. C. 343c), \$12,000,000; Bankhead-Jones Act, section 23, title II, of the Act approved June 29, 1935, as amended by the Act of June 6, 1945 (7 U. S. C. 343d-1), \$12,496,827; additional extension work, the Act approved April 24, 1939, as amended (7 U. S. C. 343c-1), \$555,000; Alaska, the Act approved February 23, 1929 (7 U. S. C. 386c), extending the benefits of the Smith-Lever Act to the Territory of Alaska, \$17,300, and the Act approved October 27, 1949 (7 U. S. C. 343d-4, 5), extending to the Territory of Alaska the benefits of the Capper-Ketcham Act and sections 21 and 23 of title II of the Bankhead-Jones Act, \$42,558; Puerto Rico, section 3 of the Act of March 4, 1931 (7 U. S. C. 386f), authorizing extension of the Capper-Ketcham Act to Puerto Rico, \$32,131; the Act approved August 28, 1937 (7 U. S. C. 343f-343g), extending the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico, \$408,000; and the Act approved October 26, 1949 (7 U. S. C. 343d-2, 3), extending the benefits of section 23 of title II of the

Bankhead-Jones Act to Puerto Rico, \$101,090; and section 506a of title V of the Housing Act of 1949 (42 U. S. C. 1476), \$33,050; in all, payments to States, Hawaii, Alaska, and Puerto Rico, \$27,165,956.] For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (Public Law 83), \$38,662,000; under section 5, Clarke-McNary Act (16 U. S. C. 568-568a), \$88,000; and payments and contracts for such work under section 204 (b)-205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623-1624), \$925,000; in all, \$39,675,000: Provided, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953 (Public Law 83) shall not be paid to any State, Hawaii, Alaska, or Puerto Rico until an equal sum has been made available from non-Federal sources by such State, Hawaii, Alaska, and Puerto Rico, for expenditure during the current fiscal year, in addition to any funds required under section 3 (b) of said Act. (Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$27,165,956 Estimate 1955, a \$39,675,000

\* Excludes \$246,827 for activities transferred in the estimates to "Federal Extension Service," and includes \$5,724,200 for activities previously carried under appropriations as follows:

"Agricultural Marketing Act, Agriculture"..... \$925,000  
 "State and private forestry cooperation, Forest Service"..... 85,000  
 "Cooperative agricultural extension work, Extension Service"..... 4,711,200  
 The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$27,165,956	\$27,165,956	\$39,675,000
Reimbursements from non-Federal sources.....	195	-----	-----
Reimbursements from other accounts.....	2,728	2,680	-----
Total available for obligation.....	27,168,879	27,168,636	39,675,000
Unobligated balance, estimated savings.....	-8,981	-----	-----
Obligations incurred.....	27,159,898	27,168,636	39,675,000
Comparative transfer from:			
"Agricultural Marketing Act, Agriculture".....	541,166	530,000	-----
"State and private forestry cooperation, Forest Service".....	85,825	88,000	-----
"Cooperative agricultural extension work, Extension Service".....	4,711,200	4,711,200	-----
Comparative transfer to "Federal Extension Service".....	-----	-----	-----
Direct appropriation.....	-237,846	-246,827	-----
Reimbursements from non-Federal sources.....	-195	-----	-----
Reimbursements from other accounts.....	-2,728	-2,680	-----
Total obligations.....	32,257,320	32,248,329	39,675,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

**OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
1. Payments to States, Hawaii, Alaska, and Puerto Rico for cooperative agricultural extension work under Smith-Lever Act of May 8, 1914, as amended by the act of June 26, 1953 (Public Law 83).....	\$31,597,279	\$31,597,279	\$38,662,000
2. Payments to States, Hawaii, Alaska, and Puerto Rico for cooperation in farm forestry extension work under section 5 of the act of June 7, 1924, (Clarke-McNary Act, as amended by the act of October 26, 1949 (16 U. S. C. 568)).....	85,825	88,000	88,000
3. Payments to and contracts with States, Hawaii, Alaska, and Puerto Rico under section 204 (b)-205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623-1624).....	541,166	530,000	925,000
4. Payments to States, Hawaii, Alaska, and Puerto Rico for assistance in farm housing under title V, section 506a, of the Housing Act of 1949 (42 U. S. C. 1476).....	33,050	33,050	-----
Total obligations.....	32,257,320	32,248,329	39,675,000

**PROGRAM AND PERFORMANCE**

Funds are distributed to each State, Hawaii, Alaska, and Puerto Rico on the basis of formulas stipulated in the governing acts. The costs of cooperative extension work are currently shared as follows: Federal appropriations, 35.9 percent; State appropriations, 37.8 percent; county appropriations, 23.7 percent; and other local sources, 2.6 percent.



The funds are used within the States for the employment of county agents, county home demonstration agents, county 4-H Club agents, specialists and other staff members who make available, interpret to rural people, and assist them in making application of, the results of agricultural and home-economic research and related information. These agents work directly with farm families, helping them to solve their economic problems, by introducing improved production methods, insect, rodent and disease control, better crop rotation and storage, improvement of dairy herds, livestock and poultry, conservation of the land and water resources, farm forestry, efficient use of the available farm labor and equipment, farm credit, improved marketing methods, farm business management, outlook information, public affairs, nutrition, family economics, home management, clothing and textiles, parent and family life interests, housing and homefurnishings, consumer education and the combination of all these individual segments so that they will work most effectively and profitably on the individual farms and for the benefit of agriculture and the consumers generally. Work with youth, largely through 4-H Clubs, which now have an enrollment of over 2,000,000, includes both agriculture and home economics and, in addition, training in leadership development and citizenship responsibilities. Extension specialists and other State staff members are primarily responsible for developing educational material and assisting county extension agents in conducting effective educational programs with farm families.

Funds authorized under sections 204 (b) and 205 of the Agricultural Marketing Act of 1946 are also distributed to the States, Hawaii, Alaska, and Puerto Rico on a matching basis under approved projects. These funds are used for educational work applicable to the marketing and distribution of agricultural products.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	52		
Average number of all employees.....	14		
Average salaries and grades: Ungraded positions: Average salary.....	\$5,443		
01 Personal services.....	\$77,320		
07 Other contractual services.....	120,005	\$85,000	\$125,000
11 Grants, subsidies, and contributions.....	32,059,995	32,163,329	39,550,000
Total obligations.....	32,257,320	32,248,329	39,675,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year....	\$115,417	\$167,528	\$162,984
Obligations incurred during the year.....	27,159,898	27,168,636	39,675,000
	27,275,315	27,336,164	39,837,984
Deduct:			
Adjustment in obligations of prior years.....	98,463		
Reimbursements.....	2,923	2,680	
Unliquidated obligations, end of year.....	167,528	162,984	323,984
Total expenditures.....	27,006,401	27,170,500	39,514,000
Expenditures are distributed as follows:			
Out of current authorizations.....	26,989,447	27,003,000	39,351,100
Out of prior authorizations.....	16,954	167,500	162,900

## FEDERAL EXTENSION SERVICE

## Federal Extension Service

Administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (Public Law 83), section 5 of the Clarke-McNary Act (16 U. S. C. 563-563a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627), and to coordinate and provide program leader-

ship for the extension work of the Department and the several States, Territories, and insular possessions, \$1,925,000.

Penalty mail: For costs of penalty mail for cooperative extension agents, \$2,000,000.

Estimate 1955, \* \$3,925,000

\* Includes \$1,925,000 previously carried under appropriations as follows:

"Agricultural Marketing Act, Agriculture".....	\$105,000
"Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration".....	1,800
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration".....	25,000
"Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration".....	3,785
"Salaries and expenses, Extension Service".....	1,413,765
"Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service".....	246,827
"Salaries and expenses, Farmer Cooperative Service".....	2,000
"State and private forestry cooperation, Forest Service".....	21,018
"Conservation operations, Soil Conservation Service".....	25,055
"Salaries and expenses, Rural Electrification Administration".....	10,750

The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....			\$3,925,000
Reimbursements from other accounts.....			2,680
Obligations incurred.....			3,927,680
Comparative transfer from—			
"Salaries and expenses, Extension Service":			
Direct appropriation.....	\$867,701	\$2,605,000	
Reimbursements from non-Federal sources.....	810		
Reimbursements from other accounts.....	12,187		
"Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service":			
Direct appropriation.....	237,846	246,827	
Reimbursements from non-Federal sources.....	195		
Reimbursements from other accounts.....	2,728	2,680	
"State and private forestry cooperation, Forest Service".....	20,304	21,018	
"Agricultural Marketing Act, Agriculture".....	80,765	105,000	
"Salaries and expenses, Farmer Cooperative Service".....	2,000	2,000	
"Salaries and expenses, Rural Electrification Administration".....	10,750	10,750	
"Conservation operations, Soil Conservation Service".....	25,055	25,055	
"Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration".....	1,800	1,800	
"Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration".....	3,785	3,785	
"Salaries and expenses, Plant Industry, Soils and Agricultural Engineering, Agricultural Research Administration".....	47,570	25,000	
Total obligations.....	1,313,496	3,048,915	3,927,680

NOTE.—Reimbursements from non-Federal sources above are from the proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Coordination, administration, and program leadership of cooperative extension work.....	\$1,297,576	\$1,361,235	\$1,925,000
2. Penalty mail for cooperative extension agents.....		1,685,000	2,000,000
3. Obligations payable from reimbursements from non-Federal sources.....	1,005		
Total direct obligations.....	1,298,581	3,046,235	3,925,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Coordination, administration, and program leadership of cooperative extension work.....	14,915	2,680	2,680
Total obligations.....	1,313,496	3,048,915	3,927,680

## PROGRAM AND PERFORMANCE

The Federal Extension Service provides administrative, policy, and program leadership for a nationwide system of extension education in agriculture and home economics



**EXTENSION SERVICE—Continued***FEDERAL EXTENSION SERVICE—continued***Federal Extension Service—Continued**

in cooperation with the extension services of the States and Territories. Assistance is provided to the States in: (1) Overall policies and relationships, (2) program development and adjustment in line with changing conditions and new technology, (3) organization of staff and work for most efficient use of resources available, (4) evaluation of methods and procedures used, and results obtained, and (5) in-service training for extension personnel.

The Service provides counsel and leadership to the States in adjusting programs and in inaugurating new programs to meet changing economic conditions and new technology and in developing uniform programs on an area basis involving several States where the need exists. An exchange of research findings and programs is provided among States, and between the Department, other research agencies, and the States to insure full availability and incorporation into the State educational programs. The latest information is supplied regarding the program of the Department of direct significance to farm people.

Cooperative assistance is provided in developing agreements with States covering programs of work; State budgets, projects and the annual plans of work are reviewed and analyzed; funds are allocated to individual States; and State expenditures are examined for compliance with requirements of law. Visual and informational aids are developed and made available to the States and counties, and assistance and training is provided in developing and using teaching aids and effective teaching methods.

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	213	209	300
Full-time equivalent of all other positions.....	2	2	2
Average number of all employees.....	201	202	275
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,590	\$5,650	\$5,805
Average grade.....	GS-7.9	GS-8.0	GS-8.3
Ungraded positions: Average salary.....	\$5,232	\$5,505	\$6,580
Personal service obligations:			
Permanent positions.....	\$1,087,784	\$1,102,154	\$1,554,542
Other positions.....	9,736	6,691	5,978
Regular pay in excess of 52-week base.....	4,071	4,151	4,296
Payments above basic rates.....	333		
Other payments for personal services.....	5,929	4,500	4,598
Total personal service obligations.....	1,107,853	1,117,496	1,569,414
<i>Direct Obligations</i>			
01 Personal services.....	1,092,964	1,114,816	1,566,734
02 Travel.....	85,186	116,000	192,000
03 Transportation of things.....	20,853	27,000	32,000
04 Communication services.....	11,150	12,600	19,400
Penalty mail for cooperative extension agents.....		1,685,000	2,000,000
05 Rents and utility services.....	1,093	500	500
06 Printing and reproduction.....	53,026	58,174	67,614
07 Other contractual services.....	2,165	3,295	3,272
Services performed by other agencies.....	8,817	9,100	12,200
08 Supplies and materials.....	9,597	9,600	13,400
09 Equipment.....	10,059	9,600	17,100
15 Taxes and assessments.....	671	550	750
Total direct obligations.....	1,298,581	3,046,235	3,925,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	14,889	2,680	2,680
15 Taxes and assessments.....	26		
Total obligations payable out of reimbursements from other accounts.....	14,915	2,680	2,680
Total obligations.....	1,313,496	3,048,915	3,927,680

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Obligations incurred during the year.....			\$3,927,680
Deduct:			
Reimbursements.....			2,680
Unliquidated obligations, end of year.....			731,600
Total expenditures (out of current authorizations).....			3,193,400

**[SALARIES AND EXPENSES]****Salaries and Expenses, Extension Service**

[For expenses necessary to administer the provisions of the Smith-Lever Act, approved May 8, 1914 (7 U. S. C. 341-348), and Acts amendatory or supplementary thereto, and to coordinate the extension work of the Department and the several States, Territories, and insular possessions, \$920,000.] (5 U. S. C. 511-512; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$920,000

Appropriated (adjusted) 1954, \$2,605,000

NOTE.—Estimate of \$1,413,765 for activities previously carried under this title has been transferred in the estimates to "Federal Extension Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$899,428	\$920,000	
Transferred, pursuant to Public Law 286, from—			
"Salaries and expenses, Office of Experiment Stations, Agricultural Research Administration".....		10,250	
"Virgin Islands agricultural program, Office of Experiment Stations, Agricultural Research Administration".....		4,820	
"Salaries and expenses, Bureau of Dairy Industry, Agricultural Research Administration".....		3,200	
"Control of forest pests, Agriculture".....		13,646	
"Salaries and expenses, Commodity Exchange Authority".....		7,727	
"Salaries and expenses, Farmers' Home Administration".....		833,000	
"Removal of surplus agricultural commodities".....		812,357	
Adjusted appropriation or estimate.....	899,428	2,605,000	
Reimbursements from non-Federal sources.....	810		
Reimbursements from other accounts.....	12,187		
Total available for obligation.....	912,425	2,605,000	
Unobligated balance, estimated savings.....	-31,727		
Obligations incurred.....	880,698	2,605,000	
Comparative transfer to "Federal Extension Service":			
Direct appropriation.....	-867,701	-2,605,000	
Reimbursements from non-Federal sources.....	-810		
Reimbursements from other accounts.....	-12,187		
Total obligations.....			

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$86,459	\$77,217	\$562,017
Obligations incurred during the year.....	880,698	2,605,000	
Deduct:			
Adjustment in obligations of prior years.....	974		
Reimbursements.....	12,997		
Unliquidated obligations, end of year.....	77,217	562,017	
Total expenditures.....	875,969	2,120,200	562,017
Expenditures are distributed as follows:			
Out of current authorizations.....	790,489	2,043,000	
Out of prior authorizations.....	85,480	77,200	562,017



## Miscellaneous

*Allotments and Allocations Received From Other Appropriation Accounts*

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

- "Flood prevention, Agriculture."  
 "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938."  
 "Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture."  
 "Consolidated working fund, Agriculture."  
 "Mutual security, funds appropriated to the President."

**FARMER COOPERATIVE SERVICE****Salaries and Expenses, Farmer Cooperative Service**

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451-457), \$408,000.

For necessary expenses, including library membership fees or dues in organizations which issue publications to members only or to members at a lower price than to others, payment for which may be made in advance; not to exceed \$20,000 for expenditures authorized by section 602 of the Organic Act of 1944 (12 U. S. C. 833); \$410,000, together with not to exceed \$2,135,500 of receipts from Farm Credit agencies, to be advanced to this appropriation, to cover the cost of supervision, facilities, examinations, and other services rendered to such agencies; \$2,545,500. (7 U. S. C. 453; Act of August 6, 1953, Public Law 202; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$410,000

Estimate 1955, " \$408,000

\* Excludes \$2,000 for activities transferred in the estimates to "Federal Extension Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$429,720	\$410,000	\$408,000
Unobligated balance, estimated savings.....	-11,687		
Obligations incurred.....	418,033	410,000	408,000
Comparative transfer to "Federal Extension Service".....	-2,000	-2,000	
Total obligations.....	416,033	408,000	408,000

## OBLIGATIONS BY ACTIVITIES

Research and technical assistance, including facilities and services to farmers' cooperatives—1953, \$416,033; 1954, \$408,000; 1955, \$408,000.

## PROGRAM AND PERFORMANCE

The Farmer Cooperative Service provides farmers' cooperatives with research and technical assistance. Studies are made to improve the organization and the operations of farmers' cooperatives and technical assistance is given them in cooperation with State and Federal agricultural research and extension agencies.

This work was previously carried as an activity under "Administrative expenses, Farm Credit Administration." The Service was transferred to the jurisdiction and control of the Secretary of Agriculture by the Farm Credit Act of 1953 (Public Law 202, Aug. 6, 1953).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	65	62	62
Average number of all employees.....	65	59	57
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,538	\$5,715	\$5,787
Average grade.....	GS-8.0	GS-8.3	GS-8.3
01 Personal services:			
Permanent positions.....	\$352,523	\$330,000	\$329,100
Regular pay in excess of 52-week base.....	1,300	1,300	1,300
Payment above basic rates.....	159		
Total personal services.....	353,982	331,300	330,400
02 Travel.....	24,515	27,900	27,900
03 Transportation of things.....	473	500	500
04 Communication services.....	3,465	14,000	15,600
05 Rents and utility services.....	1,228	700	
06 Printing and reproduction.....	28,229	29,500	29,500
07 Other contractual services.....	283		
Services performed by other agencies.....	588	600	600
08 Supplies and materials.....	2,436	2,700	2,700
09 Equipment.....	586	600	600
15 Taxes and assessments.....	248	200	200
Total obligations.....	416,033	408,000	408,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$37,828	\$49,800	\$46,800
Obligations incurred during the year.....	418,033	410,000	408,000
	455,861	459,800	454,800
Deduct:			
Adjustment in obligations of prior years.....	1,869		
Obligated balance carried to certified claims account.....	129		
Unliquidated obligations, end of year.....	49,800	46,800	45,800
Total expenditures.....	404,063	413,000	409,000
Expenditures are distributed as follows:			
Out of current authorizations.....	368,233	364,000	363,000
Out of prior authorizations.....	35,830	49,000	46,000

**FOREST SERVICE**

## INTRODUCTORY STATEMENT

The Service carries on three primary functions: (1) Protection, development, and use of more than 181,000,000 acres of land in national forests in the United States, Alaska, and Puerto Rico; and the management of land-utilization projects covering some 7,000,000 acres; (2) co-operation with the States and private forest landowners to obtain better fire protection on approximately 427,000,000 acres of forest lands and better forest practices on about 345,000,000 acres of privately owned commercial timber lands, to encourage reforestation, and to stimulate development and management of State, county, and community forests; and (3) forest research and range management research for all forest lands and related ranges to bring about better protection from fire, insects, and diseases; to increase productivity, and to facilitate full utilization of forest, water, and range resources, and more profitable production of timber and forage. Included in these three primary functions are construction and maintenance of roads and trails, control of forest pests, protection against floods, land exchange, and a number of cooperative projects.

## SALARIES AND EXPENSES

**Salaries and Expenses, Forest Service**

For expenses necessary, including not to exceed \$15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); to experiment and make investigations and report on forestry, national forests, forest fires, forest insects and diseases, and lumbering, but no part of this appropriation shall be used for any experiment or test made outside the jurisdiction of the United States; to advise the owners of woodlands as to the proper care of the same; to investigate and test American timber and timber trees and their uses, and methods, for the preservative treatment of timber; to seek, through investigations and the planting of native and foreign species, suitable trees for the treeless regions; to erect necessary buildings: *Provided*, That the cost of any building purchased, erected, or as improved, exclusive of the cost of constructing a water-supply or sanitary system and of connecting the same with any such building, and exclusive of the cost of any tower upon which a lookout house may be erected, shall not exceed \$18,500 (\$22,500 in Alaska) with the exception that any building erected, purchased, or acquired, the cost of which was \$18,500 or more, may be improved out of the appropriations made under this Act for the Forest Service by an amount not to exceed 2 per centum of the cost of such building; to protect, administer, and improve the national forests, including tree planting and other measures to prevent erosion, drift, surface wash, soil waste, and the formation of floods, and to conserve water; to ascertain the natural conditions upon and utilize the national forests, to transport and care for fish and game supplied to stock the national forests or the waters therein; for management of lands acquired under the land utilization program; and to collate, digest, report, and illustrate the results of experiments and investigations made by the Forest Service: *Provided further*, That the appropriations available to the Forest Service for the current fiscal year may be used for the operation and maintenance of aircraft, and the purchase of not to exceed [three] four (for replacement only), and not to exceed \$250,000



## FOREST SERVICE—Continued

## SALARIES AND EXPENSES—continued

## Salaries and Expenses, Forest Service—Continued

of such appropriations may be used for the maintenance, improvement, and construction of [airplane] aircraft landing fields in, or adjacent to, the national forests, as follows:

National forest protection and management: For the administration, protection, use, maintenance, improvement, and development of the national forests, including the establishment and maintenance of forest tree nurseries, including the procurement of tree seed and nursery stock by purchase, production, or otherwise, seeding and tree planting and the care of plantations and young growth; the maintenance of roads and trails and the construction and maintenance of all other improvements necessary for the proper and economical administration, protection, development, and use of the national forests, including experimental areas under Forest Service administration, except that where direct purchases will be more economical than construction, improvements may be purchased; the construction (not to exceed \$18,500 for any one structure), equipment, and maintenance of sanitary and recreational facilities; timber cultural operations; development and application of fish and game management plans; propagation and transplanting of plants suitable for planting on semiarid portions of the national forests; estimating and appraising of timber and other resources and development and application of plans for their effective management, sale, and use; expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U. S. C. 514); examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the Act of June 11, 1906, and the Act of August 10, 1912 (16 U. S. C. 506-509), as provided by the Act of March 4, 1913 (16 U. S. C. 512); investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national forests; not to exceed \$100,000 for the purchase of parcels of land and interests therein in Sanders County, Montana, but such land shall not be acquired without the approval of the local government concerned; and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests; \$29,715,700], and for the management of lands under title III of the Act of July 22, 1937, and the Act of August 11, 1945 (7 U. S. C. 1010-1012); \$23,935,000: *Provided*, That the Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc counties, Mississippi, administered under title III of the Act of July 22, 1937, and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act.

Fighting forest fires: For fighting and preventing forest fires on or threatening lands under Forest Service administration, including lands under contract for purchase or in process of condemnation for Forest Service purposes, and for liquidation of obligations incurred in the preceding fiscal year for such purpose, \$6,000,000, of which \$2,500,000 shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary to meet emergency conditions.

Control of forest pests: For the control of white pine blister rust pursuant to the Act of April 26, 1940 (16 U. S. C. 594a), including the development and testing of new control methods, \$2,430,000, of which \$360,000 shall be available to the Department of the Interior for the control of white pine blister rust on or endangering Federal lands under the jurisdiction of that Department or lands of Indian tribes which are under the jurisdiction of or retained under restrictions of the United States; and for carrying out the Forest Pest Control Act (16 U. S. C., Supp. V, 594-1-594-5), \$2,585,000, of which \$2,185,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said Act to the extent necessary under the then existing conditions; \$5,015,000.

Forest research: For forest research at forest or range experiment stations, the Forest Products Laboratory, or elsewhere, in accordance with the provisions of sections 1, 2, 3, 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as amended (16 U. S. C. 581, 581a-581c, 581f-581i), including the construction and maintenance of improvements; fire, silvicultural, watershed, forest insects and diseases, and other forest investigations and experiments; investigations and experiments to develop improved methods of management of forest and [other] related ranges; experiments, investigations, and tests of forest products; marketing research and service on timber and timber products; a comprehensive forest survey; and investigations in forest economics; \$5,350,000] \$6,528,500: *Provided*, That funds may be advanced to cooperators under such regulations as the

Secretary may prescribe when such action will stimulate or facilitate cooperative work. (5 U. S. C. 511-512, 524, 565a; 16 U. S. C. 471-583i; 31 U. S. C. 534; Act of June 20, 1910, Public Law 219; Act of August 8, 1953, Public Law 224; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$41,065,700

Estimate 1955, a \$46,478,500

\* Includes \$6,861,600 for activities previously carried under appropriations, as follows:  
 "Agricultural Marketing Act, Agriculture" \$52,000  
 "Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration" 447,500  
 "Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration" 612,100  
 "Control of forest pests, Agriculture" 5,015,000  
 "Conservation operations, Soil Conservation Service" 735,000  
 Excludes \$182,936 for activities transferred in the estimates to "Salaries and expenses, Agricultural Research Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$40,946,795	\$41,065,700	\$46,478,500
Reimbursements from non-Federal sources.....	728,141	837,500	838,500
Reimbursements from other accounts.....	5,566,473	7,212,500	7,227,000
Total available for obligation.....	47,241,409	49,115,700	54,544,000
Unobligated balance, estimated savings.....	-644,140		
Obligations incurred.....	46,597,269	49,115,700	54,544,000
Comparative transfer from—			
"Control of forest pests, Agriculture":			
Direct appropriation.....	5,922,950	5,286,354	
Reimbursements from non-Federal sources.....	15,455	16,300	
Reimbursements from other accounts.....	143,474	139,600	
"Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration," insect investigations:			
Direct appropriation.....	451,760	462,100	
Reimbursements from non-Federal sources.....	1,004		
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration," plant, soil, and agricultural engineering research:			
Direct appropriation.....	399,319	447,500	
Reimbursements from non-Federal sources.....	1,323	1,000	
Reimbursements from other accounts.....	24,318	14,000	
"Conservation operations, Soil Conservation Service":			
Direct appropriation.....	1,216,968	1,248,000	
Reimbursements from non-Federal sources.....	4,145	2,100	
Reimbursements from other accounts.....	270	3,916	
"Agricultural Marketing Act, Agriculture":			
"Salaries and expenses, Office of Administrator, Agricultural Research Administration".....	29,917	32,000	
"Forest prevention, Agriculture":			
Comparative transfer to "Salaries and expenses, Agricultural Research Service," research.....	372,566		
"Forest prevention, Agriculture":			
Comparative transfer to "Salaries and expenses, Agricultural Research Service," research.....	-180,936	-180,936	
Total obligations.....	55,002,202	56,587,634	54,544,000

NOTE.—Reimbursements from non-Federal sources above are for rental of equipment; for sale of equipment, supplies, and materials; and for the costs of suppressing forest fires on State and private forest lands adjacent to, or intermingled with, national forests under terms of written cooperative agreements (16 U. S. C. 572, 580, 580a), and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. National forest protection and management:			
(a) Resource protection and use.....	\$28,946,924	\$29,288,300	\$28,280,000
(b) Resource development.....	1,550,100	1,385,000	655,000
(c) Additional measures to accelerate flood prevention.....	372,566	288,400	
Subtotal.....	30,869,590	30,961,700	28,935,000
2. Fighting forest fires: Fire suppression.....	5,634,609	6,000,000	6,000,000
3. Control of forest pests:			
(a) White pine blister rust control.....	3,256,869	2,986,354	2,430,000
(b) Forest pest control.....	2,666,081	2,300,000	2,585,000
Subtotal.....	5,922,950	5,286,354	5,015,000
4. Forest research:			
(a) Forest and range management investigations.....	2,937,552	2,898,794	3,094,630
(b) Forest protection investigations.....	980,081	1,042,704	1,242,704
(c) Forest products investigations.....	1,246,127	1,231,318	1,231,318
(d) Forest resources investigations.....	926,690	939,848	959,848
Subtotal.....	6,090,450	6,112,664	6,528,500



## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations—Continued</i>			
5. Obligations under reimbursements from non-Federal sources.....	\$750,068	\$856,900	\$838,500
Total direct obligations.....	49,267,667	49,217,618	47,317,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
6. Rental of equipment to, and repair of equipment for, other activities of Forest Service and other Federal agencies.....	4,394,460	5,069,916	5,066,500
7. Sale of supplies, materials, and equipment to other activities of Forest Service and to Federal agencies.....	309,293	1,017,000	1,017,000
8. Construction and maintenance of improvements.....	55,770	135,500	135,500
9. Protection of intermingled and adjacent forest lands.....	99,843	154,000	154,000
10. Surveys, land appraisals, mapping, cruising timber, and preparation of timber management plans, snow scale readings, etc., on national forest and other lands.....	109,515	127,500	127,500
11. Fire suppression on intermingled and adjacent lands under administration of other agencies.....	56,465	75,000	75,000
12. White pine blister rust control.....	140,429	139,600	-----
13. Forest pest control.....	3,045	-----	-----
14. Investigations at experimental forests and ranges.....	68,007	80,000	80,000
15. Insect and disease investigations.....	24,318	14,000	14,000
16. Investigations at forest products laboratory.....	423,119	497,500	497,500
17. Special economic investigations.....	50,271	60,000	60,000
Total obligations payable out of reimbursements from other accounts.....	5,734,535	7,370,016	7,227,000
Total obligations.....	55,002,202	56,587,634	54,544,000

## PROGRAM AND PERFORMANCE

1. *National forest protection and management—(a) Resource protection and use.*—The national forests are protected from fire, and their resources are managed in such ways as to bring about full utilization and maximum sustained production.

## MAIN WORKLOAD FACTORS

	1953 actual	1954 estimate	1955 estimate
Area administered and protected.....acres..	181,567,868	181,600,000	181,600,000
Timber managed and protected billion board-feet.....	600	600	600
Timber sales.....number.....	24,329	25,000	25,500
Timber harvested.....billion board-feet.....	5.16	5.2	5.2
Forest fires controlled.....number.....	11,063	11,000	11,000
Area burned.....acres.....	262,093	300,000	250,000
Grazing use number of permits calendar year.....	26,599	26,600	26,600
Estimated total number of livestock on national forest ranges (including calves and lambs).....number.....	8,000,000	8,000,000	8,000,000
Special use permits.....do.....	51,800	53,000	54,000
Visitors to national forests.....calendar year.....	33,006,885	35,000,000	38,000,000
Receipts (by fiscal years):			
Timber sales.....	\$70,983,402	\$72,000,000	\$72,000,000
Grazing.....	4,415,862	4,000,000	3,900,000
Land use and power.....	1,064,482	1,100,000	1,200,000
Total receipts.....	76,463,746	77,100,000	77,100,000

In addition this item provides for management of land utilization projects. In cooperation with local and State agencies, revegetation and other development work has been done on submarginal land projects in 30 States, covering 7,859,605 acres. Developed lands are made available to local farmers and ranchers at equitable rates under specific use conditions. Of the revenue amounting to more than 1½ million dollars annually, 75 percent goes to the Treasury and 25 percent to the counties in which the lands are located.

(b) *Resource development.*—Main factors are shown in following table:

## MAIN WORKLOAD FACTORS

[In acres]

Description	1953 actual	1954 estimate	1955 estimate
Planted to trees.....annual.....	24,970	17,000	10,000
Planted to trees.....cumulative.....	1,349,334	1,366,334	1,376,334
Still to be planted.....total.....	4,011,604	4,000,000	4,000,000
Reseeded to range grasses.....annual.....	53,647	50,000	25,000
Reseeded to range grasses.....cumulative.....	509,147	559,147	584,147
Still to be reseeded.....total.....	3,490,853	3,440,853	3,415,853

(c) *Additional measures to accelerate flood prevention.*—In the fiscal years 1953 and 1954 additional funds were provided for measures, which contribute directly to flood prevention, and involve the conservation of watershed lands. While many of these measures are included in the national programs, acceleration of the rate of their application speeds up or intensifies flood-prevention benefits on watersheds where flood-prevention programs are being conducted. They usually consist of measures, such as revegetation, to stabilize and rehabilitate both forest and range lands.

2. *Fighting forest fires.*—This provides for employment of additional manpower and other facilities to suppress forest fires which cannot be controlled by the fire-control organization provided for under the activity "National forest protection and management." A supplemental appropriation of \$3,000,000 is anticipated for 1954.

3. *Control of forest pests—(a) White pine blister rust control.*—Protection of white pine trees from blister rust is provided by removing ribes (alternate host plants) from areas where white pine grows, some of which is done in cooperation with other land-managing agencies. Since this program was initiated in 1918, ribes have been removed from approximately 16,100,000 acres. A small amount of maintenance work is needed on this acreage to keep the ribes suppressed. Approximately 7,400,000 additional acres require further eradication work. The 1955 estimate proposes to reduce the number of acres from which ribes will be removed below 1954, and to eliminate Federal contributions to these operations on State and private lands except for program guidance and technical assistance.

The following table indicates the estimated program for 1954 and 1955 as compared to work done in 1953:

Acres	1953 actual	1954 estimate	1955 estimate
Initial eradication.....	251,292	148,544	-----
Rework.....	1,055,057	1,055,057	975,601
Total.....	1,306,349	1,203,601	975,601

(b) *Forest pest control.*—Operations consist of (a) surveys to detect and appraise the danger of insects and plant diseases which injure or destroy forest resources, and (b) suppressive measures before extensive damage is done and while areas requiring treatment are small. An increase is proposed to assist in control of known new insect epidemics.

4. *Forest research—(a) Forest and range management investigations.*—Research is conducted at regional forest experimental stations and elsewhere to provide private and public land managers and owners with a sound basis for protection and management of timber, range, and watershed lands. Studies are conducted to maintain a sustained yield of products at the lowest possible costs; increase forage on range lands for maximum production of livestock without damage to soil, watershed, or other



## FOREST SERVICE—Continued

## SALARIES AND EXPENSES—continued

## Salaries and Expenses, Forest Service—Continued

values; assure maximum regular flow of usable water, and reduce flood and sedimentation.

(b) *Forest protection investigations (fire, insects, and diseases).*—Research is conducted at the regional forest experiment stations and elsewhere to develop sound measures for the protection of forests from damage by fire, insects, and diseases. These investigations provide the technical basis for control measures and preventive measures, including predictions of fire danger.

(c) *Forest products investigations.*—The work of the Forest Products Laboratory is directed toward improvement of forest products, reduction and utilization of waste, utilization of low-quality wood and unpopular species, development of new wood products, reduction of costs of logging and utilization of wood products, development of basic knowledge and discoveries, and dissemination of findings to meet the needs of the forest owner, primary manufacturer, wood fabricator, and ultimate consumer.

(d) *Forest resources investigations.*—These investigations are conducted to inventory and appraise the condition of forest lands, volume and quality of standing timber, ownership of timber resources, annual growth and depletion, potential need for timber products, and other information on supply, production, marketing, and utilization.

## MAIN WORKLOAD FACTORS

(In acres)

Description	1953 actual	1954 estimate	1955 estimate
Initial surveys.....annual.....	26, 117, 000	20, 000, 000	20, 000, 000
Initial surveys.....cumulative.....	449, 742, 000	469, 742, 000	489, 742, 000
To be surveyed.....total.....	1 172, 292, 000	1 152, 292, 000	1 132, 292, 000
Resurveys.....annual.....	36, 305, 000	25, 000, 000	25, 000, 000
Resurveys.....cumulative.....	167, 237, 000	192, 237, 000	217, 237, 000

<sup>1</sup> Not including 140 million acres in Alaska.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>FOREST SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	7, 086	7, 064	6, 906
Full-time equivalent of all other positions.....	3, 299	3, 309	2, 301
Average number of all employees.....	9, 549	9, 621	8, 280
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 655	\$4, 673	\$4, 691
Average grade.....	GS-6.6	GS-6.6	GS-6.6
Ungraded positions: Average salary.....	\$3, 595	\$3, 703	\$3, 708
Personal service obligations:			
Permanent positions.....	\$29, 128, 614	\$29, 559, 712	\$28, 269, 848
Other positions.....	7, 104, 689	7, 372, 265	5, 279, 240
Regular pay in excess of 52-week base.....	110, 976	101, 898	98, 217
Payment above basic rates.....	997, 526	989, 283	695, 633
Other payments for personal services.....	1, 734, 754	1, 952, 560	1, 284, 647
Total personal service obligations.....	39, 076, 559	39, 975, 718	35, 627, 585
<i>Direct Obligations</i>			
01 Personal services.....	37, 175, 562	37, 729, 276	33, 502, 343
02 Travel.....	1, 334, 722	1, 343, 394	1, 214, 074
03 Transportation of things.....	660, 791	516, 334	424, 396
04 Communication services.....	384, 593	469, 562	446, 000
05 Rents and utility services.....	517, 149	490, 871	435, 742
06 Printing and reproduction.....	189, 027	198, 751	191, 821
07 Other contractual services.....	2, 201, 245	1, 745, 259	1, 246, 978
Services performed by other agencies.....	257, 891	317, 471	266, 010
08 Supplies and materials.....	3, 323, 000	3, 417, 223	2, 476, 177
09 Equipment.....	2, 736, 852	2, 443, 972	2, 275, 207
10 Lands and structures.....	190, 144	129, 206	114, 530
11 Grants, subsidies, and contributions.....	17, 901	5, 081	-----
13 Refunds, awards, and indemnities.....	39, 890	28, 355	26, 778
15 Taxes and assessments.....	141, 224	142, 498	114, 428
Contingency fund.....	-----	165, 000	4, 685, 000
Subtotal.....	49, 169, 991	49, 142, 253	47, 419, 484

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>FOREST SERVICE—continued</b>			
<i>Direct Obligations—Continued</i>			
Deduct charges for quarters and subsistence.....	\$474, 333	\$474, 635	\$462, 484
Total direct obligations.....	48, 695, 658	48, 667, 618	46, 957, 000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	1, 900, 997	2, 246, 442	2, 125, 242
02 Travel.....	87, 035	106, 681	101, 131
03 Transportation of things.....	27, 365	38, 450	38, 450
04 Communication services.....	14, 822	19, 280	19, 280
05 Rents and utility services.....	22, 591	33, 050	33, 050
06 Printing and reproduction.....	251	2, 450	2, 450
07 Other contractual services.....	223, 984	356, 000	353, 700
Services performed by other agencies.....	15, 974	77, 650	75, 650
08 Supplies and materials.....	3, 030, 018	3, 702, 363	3, 691, 697
09 Equipment.....	388, 556	763, 700	763, 700
13 Refunds, awards, and indemnities.....	17, 256	18, 000	18, 000
15 Taxes and assessments.....	5, 140	5, 950	4, 650
Subtotal.....	5, 733, 989	7, 370, 016	7, 227, 000
Deduct charges for quarters and subsistence.....	216	-----	-----
Total obligations payable out of reimbursements from other accounts.....	5, 733, 773	7, 370, 016	7, 227, 000
Total obligations.....	54, 429, 431	56, 037, 634	54, 184, 000
<b>ALLOCATION TO THE DEPARTMENT OF THE INTERIOR</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	10	9	9
Full-time equivalent of all other positions.....	113	108	69
Average number of all employees.....	120	116	77
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 735	\$4, 721	\$4, 778
Average grade.....	GS-7.1	GS-7.1	GS-7.3
Personal service obligations:			
Permanent positions.....	\$34, 298	\$39, 759	\$37, 725
Other positions.....	359, 012	350, 567	219, 519
Regular pay in excess of 52-week base.....	134	143	149
Payment above basic rates.....	37, 202	36, 486	25, 517
Total personal service obligations.....	430, 646	426, 955	282, 910
<i>Direct Obligations</i>			
01 Personal services.....	430, 628	426, 955	282, 910
02 Travel.....	4, 441	5, 914	3, 700
03 Transportation of things.....	2, 325	2, 198	1, 680
04 Communication services.....	553	582	546
05 Rents and utility services.....	16, 106	19, 499	11, 188
06 Printing and reproduction.....	3	25	10
07 Other contractual services.....	75, 477	61, 842	39, 910
08 Supplies and materials.....	43, 624	38, 763	20, 171
09 Equipment.....	18, 599	9, 911	5, 545
15 Taxes and assessments.....	5, 340	5, 311	3, 340
Subtotal.....	597, 096	571, 000	369, 000
Deduct charges for quarters and subsistence.....	25, 087	21, 000	9, 000
Total direct obligations.....	572, 009	550, 000	360, 000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	18	-----	-----
09 Equipment.....	744	-----	-----
Total obligations payable out of reimbursements from other accounts.....	762	-----	-----
Total obligations.....	572, 771	550, 000	360, 000
<b>SUMMARY</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	7, 096	7, 073	6, 915
Full-time equivalent of all other positions.....	3, 412	3, 417	2, 370
Average number of all employees.....	9, 669	9, 737	8, 357
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 655	\$4, 673	\$4, 691
Average grade.....	GS-6.6	GS-6.6	GS-6.6
Ungraded positions: Average salary.....	\$3, 595	\$3, 703	\$3, 708
Personal service obligations:			
Permanent positions.....	\$29, 162, 912	\$29, 590, 471	\$28, 307, 573
Other positions.....	7, 463, 701	7, 722, 832	5, 498, 759
Regular pay in excess of 52-week base.....	111, 110	102, 041	98, 366



## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY—continued</b>			
<i>Summary of Personal Services—Con.</i>			
Personal service obligations—Continued			
Payment above basic rates.....	\$1,034,728	\$1,025,769	\$721,150
Other payments for personal services.....	1,734,754	1,952,560	1,284,647
Total personal service obligations.....	39,507,205	40,402,673	35,910,495
<i>Direct Obligations</i>			
01 Personal services.....	37,606,190	38,156,231	33,785,253
02 Travel.....	1,339,163	1,349,308	1,217,774
03 Transportation of things.....	663,116	518,532	426,076
04 Communication services.....	385,146	470,144	446,546
05 Rents and utility services.....	533,255	510,370	446,930
06 Printing and reproduction.....	189,030	198,776	191,831
07 Other contractual services.....	2,276,722	1,807,101	1,286,888
Services performed by other agencies.....	257,891	317,471	266,010
08 Supplies and materials.....	3,366,624	3,455,986	2,496,348
09 Equipment.....	2,755,451	2,453,883	2,280,752
10 Lands and structures.....	190,144	129,206	114,530
11 Grants, subsidies, and contributions.....	17,901	5,081	
13 Refunds, awards, and indemnities.....	39,890	28,355	26,778
15 Taxes and assessments.....	146,564	147,809	117,768
Contingency fund.....		165,000	4,685,000
Subtotal.....	49,767,087	49,713,253	47,788,484
Deduct charges for quarters and subsistence.....	499,420	495,635	471,484
Total direct obligations.....	49,267,667	49,217,618	47,317,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	1,901,015	2,246,442	2,125,242
02 Travel.....	87,035	106,681	101,131
03 Transportation of things.....	27,365	38,450	38,450
04 Communication services.....	14,822	19,280	19,280
05 Rents and utility services.....	22,591	33,050	33,050
06 Printing and reproduction.....	251	2,450	2,450
07 Other contractual services.....	223,984	356,000	353,700
Services performed by other agencies.....	15,974	77,650	75,650
08 Supplies and materials.....	3,030,018	3,702,363	3,691,697
09 Equipment.....	389,300	763,700	763,700
13 Refunds, awards, and indemnities.....	17,256	18,000	18,000
15 Taxes and assessments.....	5,140	5,950	4,650
Subtotal.....	5,734,751	7,370,016	7,227,000
Deduct charges for quarters and subsistence.....	216		
Total obligations payable out of reimbursements from other accounts.....	5,734,535	7,370,016	7,227,000
Total obligations.....	55,002,202	56,587,634	54,544,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$3,972,179	\$4,691,748	\$4,757,448
Adjustment in obligations of prior years.....	57,511		
Obligations incurred during the year.....	46,597,269	49,115,700	54,544,000
	50,626,959	53,807,448	59,301,448
Deduct:			
Reimbursements.....	6,294,614	8,050,000	8,065,500
Obligated balance carried to certified claims account.....	14,326		
Unliquidated obligations, end of year.....	4,691,748	4,757,448	5,385,948
Total expenditures.....	39,626,271	41,000,000	45,850,000
Expenditures are distributed as follows:			
Out of current authorizations.....	35,698,322	36,670,000	41,500,000
Out of prior authorizations.....	3,927,949	4,330,000	4,350,000

## FOREST ROADS AND TRAILS

## Forest Roads and Trails, Forest Service

For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921, as amended (23 U. S. C. 23, 23a), relating to forest development roads and trails, including the construction, reconstruction, and maintenance of roads and trails on experimental areas under Forest Service administration, **[\$14,500,000] \$16,000,000**, which sum is authorized to be appropriated by the **[Act]** Acts of September 7, 1950 (64 Stat. 786), and **June 25, 1952 (66 Stat. 158)**, to remain available until expended: *Provided*, That this appropriation shall be available for the rental, purchase, construction, or alteration of buildings necessary for the storage and repair of equipment and supplies used for road and trail construction and maintenance, but the total cost of any such building purchased, altered, or constructed under this

authorization shall not exceed \$18,500 (\$22,500 in Alaska), with the exception that any building erected, purchased, or acquired, the cost of which was \$18,500 or more, may be improved within any fiscal year by an amount not to exceed 2 per centum of the cost of such buildings. (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, **\$14,500,000**Estimate 1955, **\$16,000,000**

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$16,000,000	\$14,500,000	\$16,000,000
Prior year balance available.....	929,956	6,126,141	
Reimbursements from non-Federal sources.....	22,775	25,000	25,000
Reimbursements from other accounts.....	122,663	225,000	225,000
Total available for obligation.....	17,075,394	20,876,141	16,250,000
Balance available in subsequent year.....	-6,126,141		
Obligations incurred.....	10,949,253	20,876,141	16,250,000
Comparative transfer from "Flood prevention, Agriculture".....	71,958		
Comparative transfer to "Salaries and expenses, Agricultural Research Service," research.....	-2,000	-2,000	
Total obligations.....	11,019,211	20,874,141	16,250,000

NOTE.—Reimbursements from non-Federal sources above are from rental of equipment and sale of equipment, supplies, and materials to non-Federal agencies which cooperate with the Forest Service in fire control under terms of written cooperative agreements (16 U. S. C. 580, 580a); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Construction of roads and trails.....	\$4,438,446	\$13,554,879	\$9,100,000
2. Maintenance of roads and trails.....	6,363,369	6,998,262	6,900,000
3. Additional measures to accelerate flood prevention.....	71,958	71,000	
4. Obligations under reimbursements from non-Federal sources.....	22,775	25,000	25,000
Total direct obligations.....	10,896,548	20,649,141	16,025,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Construction of roads and trails.....	89	33,400	33,400
2. Maintenance of roads and trails.....	5,479	6,000	6,000
5. Sale of supplies, materials, and equipment.....	117,095	185,600	185,600
Total obligations payable out of reimbursements from other accounts.....	122,663	225,000	225,000
Total obligations.....	11,019,211	20,874,141	16,250,000

## PROGRAM AND PERFORMANCE

Roads and trails are essential for the protection and management of the national forests and for the utilization of their resources. The existing system consists of approximately 117,000 miles of earth or gravel-surfaced roads and 120,000 miles of supplemental trails.

The increase in 1955 is to provide for completion of construction of access roads to insect-infested timber in Oregon and Washington.

Included in this program in the fiscal years 1953 and 1954 was the construction and maintenance of roads and trails as a part of or corollary to conservation measures which contribute directly to flood prevention on watershed lands.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>FOREST SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	819	838	838
Full-time equivalent of all other positions.....	793	969	789
Average number of all employees.....	1,613	1,855	1,671
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,560	\$4,616	\$4,642
Average grade.....	GS-6.5	GS-6.6	GS-6.6



## FOREST SERVICE—Continued

## FOREST ROADS AND TRAILS—Continued

## Forest Roads and Trails, Forest Service—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>FOREST SERVICE—continued</b>			
<i>Summary of Personal Services—Con.</i>			
Average salaries and grades—Continued			
Crafts, protective, and custodial grades:			
Average salary.....	\$3,971	\$4,014	\$4,035
Average grade.....	CPC-7.4	CPC-7.4	CPC-7.4
Ungraded positions: Average salary.....	\$3,521	\$3,555	\$3,555
Personal service obligations:			
Permanent positions.....	\$3,353,778	\$3,696,667	\$3,696,667
Other positions.....	2,128,323	2,700,046	2,145,624
Regular pay in excess of 52-week base.....	12,899	14,217	14,219
Payment above basic rates.....	58,141	59,259	59,259
Other payments for personal services.....	1,174		
Total personal service obligations.....	5,554,315	6,470,189	5,915,769
<i>Direct Obligations</i>			
01 Personal services.....	5,495,698	6,366,689	5,812,269
02 Travel.....	158,530	179,172	175,000
03 Transportation of things.....	67,558	96,060	75,000
04 Communication services.....	52,909	77,820	67,464
05 Rents and utility services.....	74,639	81,620	60,000
06 Printing and reproduction.....	12,597	12,700	12,700
07 Other contractual services.....	345,366	1,257,435	1,000,000
Services performed by other agencies.....	11,423	4,175	4,175
08 Supplies and materials.....	2,824,862	3,560,882	2,644,845
09 Equipment.....	92,687	167,790	165,000
10 Lands and structures.....	571,570	1,296,211	6,000,000
13 Refunds, awards, and indemnities.....	3,278	300	300
15 Taxes and assessments.....	37,238	37,662	30,000
Subtotal.....	9,748,355	13,138,516	16,046,753
Deduct charges for quarters and subsistence.....	24,605	21,753	21,753
Total direct obligations.....	9,723,750	13,116,763	16,025,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	58,617	103,500	103,500
02 Travel.....	3,561	3,500	3,500
04 Communication services.....	201	600	600
05 Rents and utility services.....	1,328	3,200	3,200
07 Other contractual services.....	3,751	10,000	10,000
08 Supplies and materials.....	52,636	102,000	102,000
09 Equipment.....	1,544	1,150	1,150
10 Lands and structures.....	964	1,000	1,000
15 Taxes and assessments.....	61	50	50
Total obligations payable out of reimbursements from other accounts.....	122,663	225,000	225,000
Total obligations.....	9,846,413	13,341,763	16,250,000
<b>ALLOCATION TO BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE</b>			
Total number of permanent positions.....	50	50	
Full-time equivalent of all other positions.....	15	56	
Average number of all employees.....	58	104	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,125	\$4,170	
Average grade.....	GS-6.4	GS-6.4	
01 Personal services:			
Permanent positions.....	\$176,550	\$202,000	
Other positions.....	45,128	170,000	
Regular pay in excess of 52-week base.....	681	750	
Payment above basic rates.....	6,643	7,250	
Total personal services.....	229,002	380,000	
02 Travel.....	17,659	60,000	
03 Transportation of things.....	158	2,000	
04 Communication services.....	117	1,000	
05 Rents and utility services.....	2,957	4,000	
06 Printing and reproduction.....	1,250	1,000	
07 Other contractual services.....	61,552	150,000	
08 Supplies and materials.....	29,893	100,000	
09 Equipment.....	17		
10 Lands and structures.....	828,993	6,829,378	
15 Taxes and assessments.....	1,277	5,000	
Subtotal.....	1,172,875	7,532,378	
Deduct charges for quarters and subsistence.....	77		
Total obligations.....	1,172,798	7,532,378	

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	869	888	838
Full-time equivalent of all other positions.....	808	1,025	789
Average number of all employees.....	1,671	1,959	1,671
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,515	\$4,571	\$4,642
Average grade.....	GS-6.4	GS-6.6	GS-6.6
Crafts, protective, and custodial grades:			
Average salary.....	\$3,971	\$4,014	\$4,035
Average grade.....	CPC-7.4	CPC-7.4	CPC-7.4
Ungraded positions: Average salary.....	\$3,521	\$3,555	\$3,555
Personal service obligations:			
Permanent positions.....	\$3,530,328	\$3,898,667	\$3,696,667
Other positions.....	2,173,451	2,870,046	2,145,624
Regular pay in excess of 52-week base.....	13,580	14,967	14,219
Payment above basic rates.....	64,784	66,509	59,259
Payments to other agencies for reimbursable details.....	1,174		
Total personal service obligations.....	5,783,317	6,850,189	5,915,769
<i>Direct Obligations</i>			
01 Personal services.....	5,724,700	6,746,689	5,812,269
02 Travel.....	176,189	239,172	175,000
03 Transportation of things.....	67,716	98,060	75,000
04 Communication services.....	53,026	78,820	67,464
05 Rents and utility services.....	77,596	85,620	60,000
06 Printing and reproduction.....	13,847	13,700	12,700
07 Other contractual services.....	406,918	1,407,435	1,000,000
Services performed by other agencies.....	11,423	4,175	4,175
08 Supplies and materials.....	2,854,755	3,660,882	2,644,845
09 Equipment.....	92,704	167,790	165,000
10 Lands and structures.....	1,400,563	8,125,589	6,000,000
13 Refunds, awards, and indemnities.....	3,278	300	300
15 Taxes and assessments.....	38,515	42,662	30,000
Subtotal.....	10,921,230	20,670,894	16,046,753
Deduct charges for quarters and subsistence.....	24,682	21,753	21,753
Total direct obligations.....	10,896,548	20,649,141	16,025,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	58,617	103,500	103,500
02 Travel.....	3,561	3,500	3,500
04 Communication services.....	201	600	600
05 Rents and utility services.....	1,328	3,200	3,200
07 Other contractual services.....	3,751	10,000	10,000
08 Supplies and materials.....	52,636	102,000	102,000
09 Equipment.....	1,544	1,150	1,150
10 Lands and structures.....	964	1,000	1,000
15 Taxes and assessments.....	61	50	50
Total obligations payable out of reimbursements from other accounts.....	122,663	225,000	225,000
Total obligations.....	11,019,211	20,874,141	16,250,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$4,423,604	\$2,756,152	\$4,182,293
Obligations incurred during the year.....	10,949,253	20,876,141	16,250,000
	15,372,857	23,632,293	20,432,293
Deduct:			
Reimbursements.....	145,438	250,000	250,000
Unliquidated obligations, end of year.....	2,756,152	4,182,293	4,882,293
Total expenditures.....	12,471,267	19,200,000	15,300,000
Expenditures are distributed as follows:			
Out of current authorizations.....	12,471,267	11,200,000	11,800,000
Out of prior authorizations.....		8,000,000	3,500,000

## STATE AND PRIVATE FORESTRY COOPERATION

## State and Private Forestry Cooperation, Forest Service

For expenses necessary for cooperation with the various States in forest-fire prevention and suppression, [in forest tree planting, in forest management and processing, and in farm forestry extension,] pursuant to [the Act of August 25, 1950 (16 U. S. C. 568c, 568d), and] sections 1, 2, and 3 [4, and 5] of the Act of June 7, 1924 (16 U. S. C. 564 [—], 565, 566, 568a), and Acts supplementary thereto; advising timberland owners, associations, and other appropriate agencies in the application of forest management principles to



federally owned lands leased to States and to private forest lands, and advising wood-using industries in processing of forest products, so as to attain sustained-yield management, the conservation of the timber resources, the productivity of forest lands, and the stabilization of employment and economic continuance of forest industries; [\$10,792,708] \$9,123,000. (5 U. S. C. 511; 16 U. S. C. 581; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$10,792,708 Estimate 1955, • \$9,123,000

• Excludes \$109,018 for activities transferred in the estimates to appropriations as follows:

"Federal Extension Service"..... \$21,018  
"Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service"..... 88,000  
The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$10,792,708	\$10,792,708	\$9,123,000
Reimbursements from non-Federal sources.....	1,067	-----	-----
Reimbursements from other accounts.....	570	10,000	10,000
Total available for obligation.....	10,794,345	10,802,708	9,133,000
Unobligated balance, estimated savings.....	-20,857	-----	-----
Obligations incurred.....	10,773,488	10,802,708	9,133,000
Comparative transfer from "Flood prevention, Agriculture".....	71,776	-----	-----
Comparative transfer to—			
"Federal Extension Service".....	-20,304	-21,018	-----
"Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service".....	-85,825	-88,000	-----
Total obligations.....	10,739,135	10,693,690	9,133,000

NOTE.—There are available as a credit to this appropriation collections from States of their share of the cost of providing technical timber management services to owners of private forest land (16 U. S. C. 572).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Cooperation in forest fire control.....	\$9,444,977	\$9,449,500	\$8,968,300
2. Cooperation in forest tree planting.....	444,187	447,061	-----
3. Cooperation in forest management and processing.....	626,940	632,429	-----
4. General forestry assistance.....	149,618	154,700	154,700
5. Additional measures to accelerate flood prevention.....	71,776	-----	-----
6. Obligations under reimbursements from non-Federal sources.....	1,067	-----	-----
Total direct obligations.....	10,738,565	10,683,690	9,123,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Cooperation in forest fire control.....	570	10,000	10,000
Total obligations.....	10,739,135	10,693,690	9,133,000

## PROGRAM AND PERFORMANCE

This program, for the most part carried on in cooperation with the States, encourages private timber growing through assistance in preventing and suppressing forest fires, reforestation of denuded and poorly stocked areas, and good management of woodlands. Privately owned forest lands comprise three-fourths of the Nation's commercial forest area and produce 90 percent of all timber cut. The fire-control program applies to all forest lands within the boundaries of organized protection units. The balance of the program concentrates on small forest properties in private ownership because (a) 76 percent of the private commercial forest acreage is in small holdings averaging only about 62 acres each, (b) the small-owner group comprises 99 percent of private forest owners, and (c) present cutting practices are poorest on these small properties.

1. *Cooperation in forest fire control.*—Assistance is furnished 43 States and Hawaii in preventing and suppressing forest fires on private and State-owned lands by financial aid, training, procurement of equipment, and a nationwide fire-prevention campaign. All but approximately one-seventh of the 427,000,000 acres of non-Federal

ownership are now partially covered. During 1952 the acreage burned on protected areas was 1.7 percent as against an estimated 13 percent on unprotected lands. Of the total expenditures under this program, 70 percent is contributed by States and counties, 6 percent by private owners, and 24 percent by the Federal Government.

2. *Cooperation in forest tree planting.*—To encourage woodland owners to plant trees on the more than 60 million acres of inadequately stocked private forest land, the States provide trees at less than cost. In the fiscal years 1953 and 1954 the Federal Government shared the cost with the States to the extent of one-fifth.

3. *Cooperation in forest management and processing.*—In cooperation with State foresters, 262 projects in 1,300 counties were operated in fiscal year 1953 to aid small-woodland owners in applying good management to their timber holdings, covering some 32,000 owners and about 2,800,000 acres. Small processors of primary forest products received similar technical assistance.

4. *General forestry assistance.*—Assistance and advice is given by field technicians in groups of States in response to inquiries in technical forestry fields in which the volume of business in any one State is not sufficient to justify a technician in each individual State.

5. *Additional measures to accelerate flood prevention.*—In the fiscal year 1953 additional funds were provided for measures contributing directly to flood prevention and involving the conservation of watershed lands. While many of these are included in the national programs, acceleration of the rate of their application speeds up or intensifies flood prevention benefits on watersheds where flood prevention programs are being conducted. These measures were applied on non-Federal land within watersheds in cooperation with State and private forest land owners. Work consists of fire control, tree planting, and technical forest management assistance.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	103	101	68
Full-time equivalent of all other positions.....	9	14	-----
Average number of all employees.....	115	125	77
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,607	\$5,660	\$5,710
Average grade.....	GS-8.0	GS-8.1	GS-8.0
Personal service obligations:			
Permanent positions.....	\$600,873	\$627,617	\$439,744
Other positions.....	25,111	33,145	-----
Regular pay in excess of 52-week base.....	1,813	1,956	1,690
Payment above basic rates.....	602	146	146
Total personal service obligations.....	628,399	662,864	441,580
<i>Direct Obligations</i>			
01 Personal services.....	628,142	662,464	441,180
02 Travel.....	52,729	56,349	43,349
03 Transportation of things.....	12,619	12,430	11,430
04 Communication services.....	6,565	9,584	9,335
05 Rents and utility services.....	758	430	430
06 Printing and reproduction.....	85,128	85,200	71,494
07 Other contractual services.....	13,917	20,000	14,000
Services performed by other agencies.....	9,104	10,000	10,000
08 Supplies and materials.....	48,908	44,353	14,247
09 Equipment.....	11,594	12,500	7,500
10 Lands and structures.....	994	1,000	1,000
11 Grants, subsidies, and contributions.....	9,867,827	9,769,150	8,498,950
15 Taxes and assessments.....	437	395	250
Subtotal.....	10,738,722	10,683,855	9,123,165
Deduct charges for quarters and subsistence.....	157	165	165
Total direct obligations.....	10,738,565	10,683,690	9,123,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	257	400	400
02 Travel.....	215	250	250
04 Communication services.....	98	100	100



## FOREST SERVICE—Continued

## STATE AND PRIVATE FORESTRY COOPERATION—continued

## State and Private Forestry Cooperation, Forest Service—Con.

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Obligations Payable Out of Reimbursements From Other Accounts—Continued</i>			
07 Other contractual services.....		\$4,000	\$4,000
08 Supplies and materials.....		5,250	5,250
Total obligations payable out of reimbursements from other accounts.....	\$570	10,000	10,000
Total obligations.....	10,739,135	10,693,690	9,133,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$802,547	\$536,441	\$579,149
Obligations incurred during the year.....	10,773,488	10,802,708	9,133,000
	11,576,035	11,339,149	9,712,149
Deduct:			
Adjustment in obligations of prior years.....	7,974		
Reimbursements.....	1,637	10,000	10,000
Unliquidated obligations, end of year.....	536,441	579,149	602,149
Total expenditures.....	11,029,983	10,750,000	9,100,000
Expenditures are distributed as follows:			
Out of current authorizations.....	10,239,250	10,219,000	8,526,000
Out of prior authorizations.....	790,733	531,000	574,000

## COOPERATIVE RANGE IMPROVEMENTS

## Cooperative Range Improvements, Forest Service

(Definite appropriation, special account)

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests as authorized by section 12 of the Act of April 24, 1950 (16 U. S. C. 580h), **["\$531,000"]** **\$281,000**, to remain available until expended. (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, **\$531,000**Estimate 1955, **\$281,000**

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$310,000	\$531,000	\$281,000
Prior year balance available.....	558,870	186,694	
Reimbursements from other accounts.....	1,208	1,000	1,000
Total available for obligation.....	870,078	718,694	282,000
Balance available in subsequent year.....	—186,694		
Obligations incurred.....	683,384	718,694	282,000

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
Construction and maintenance of range improvements.....	\$682,176	\$717,694	\$281,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
Construction and maintenance of range improvements.....	1,208	1,000	1,000
Obligations incurred.....	683,384	718,694	282,000

## PROGRAM AND PERFORMANCE

On the basis of a statutory formula and to the extent appropriated, part of the grazing fees from the national forests are used to protect or improve the productivity of the range, mainly by construction and maintenance of fences, stock-watering facilities, bridges, corrals, and driveways.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	6	6	6
Full-time equivalent of all other positions.....	86	93	41
Average number of all employees.....	113	117	47
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$3,303	\$3,456	\$3,456
Average grade.....	GS-3.5	GS-3.8	GS-3.8
Crafts, protective, and custodial grades:			
Average salary.....	\$3,600		
Average grade.....	CPC-6.0		
Ungraded positions: Average salary.....	\$3,440	\$3,520	\$3,520
<i>Direct Obligations</i>			
01 Personal services:			
Permanent positions.....	\$103,805	\$94,285	\$18,950
Other positions.....	258,400	277,371	123,232
Regular pay in excess of 52-week base.....	305	368	73
Payment above basic rates.....	919	570	
Total personal services.....	363,429	372,594	142,255
02 Travel.....	3,124	3,800	1,520
03 Transportation of things.....	10,671	11,550	4,625
04 Communication services.....	1,545	1,500	600
05 Rents and utility services.....	7,822	8,130	3,250
07 Other contractual services.....	68,892	71,550	28,500
Services performed by other agencies.....	480	700	300
08 Supplies and materials.....	208,886	223,867	90,000
09 Equipment.....	2,943	4,000	1,600
10 Lands and structures.....	10,661	16,500	6,600
13 Refunds, awards, and indemnities.....	471		
15 Taxes and assessments.....	4,040	4,365	1,750
Subtotal.....	682,964	718,556	281,000
Deduct charges for quarters and subsistence.....	788	862	
Total direct obligations.....	682,176	717,694	281,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
07 Other contractual services.....	484	400	400
08 Supplies and materials.....	724	600	600
Total obligations payable out of reimbursements from other accounts.....	1,208	1,000	1,000
Obligations incurred.....	683,384	718,694	282,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$89,969	\$152,487	\$180,181
Obligations incurred during the year.....	683,384	718,694	282,000
	773,353	871,181	462,181
Deduct:			
Reimbursements.....	1,208	1,000	1,000
Unliquidated obligations, end of year.....	152,487	180,181	69,181
Total expenditures.....	619,658	690,000	392,000
Expenditures are distributed as follows:			
Out of current authorizations.....	619,658	400,000	225,000
Out of prior authorizations.....		290,000	167,000

## [ACQUISITION OF LANDS FOR NATIONAL FORESTS]

## [Weeks Act]

## Acquisition of Lands for National Forests, Weeks Act, Forest Service

For the acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U. S. C. 513-519, 521), \$75,000, to be available only for payment of the purchase price of any lands acquired, including the cost of surveys in connection with such acquisition: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned. (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, **\$75,000**

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$75,000	\$75,000	
Unobligated balance, estimated savings.....	—704		
Obligations incurred.....	74,296	75,000	



## OBLIGATIONS BY ACTIVITIES

Acquisition of lands for national forests—1953, \$74,296; 1954, \$75,000.

## PROGRAM AND PERFORMANCE

In the fiscal years 1953 and 1954 funds were provided to acquire lands to protect the watersheds of navigable streams and to increase the production of timber. The National Forest Reservation Commission, composed of 2 Senators, 2 Representatives, the Secretaries of the Army, Interior, and Agriculture, has approved the establishment of 78 national forest purchase units in 33 States, mainly in the eastern half of the United States. The present value of forest lands thus purchased to date is conservatively estimated at \$200,000,000, which is more than twice their cost.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	1		
Average number of all employees.....	2	1	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,810		
Average grade.....	GS-9.0		
01 Personal services:			
Permanent positions.....	\$8,322	\$1,500	
Other positions.....	909		
Regular pay in excess of 52-week base.....	13	6	
Total personal services.....	9,244	1,506	
02 Travel.....	828	494	
04 Communication services.....	25		
07 Other contractual services.....	4		
08 Supplies and materials.....	476		
10 Lands and structures.....	63,745	73,000	
15 Taxes and assessments.....	5		
Subtotal.....	74,327	75,000	
Deduct charges for quarters and subsistence.....	31		
Obligations incurred.....	74,296	75,000	

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$121,648	\$85,676	\$85,676
Obligations incurred during the year.....	74,296	75,000	
	195,944	160,676	85,676
Deduct:			
Adjustment in obligations of prior years.....	1,536		
Obligated balance carried to certified claims account.....	26,679		
Unliquidated obligations, end of year.....	85,676	85,676	25,676
Total expenditures.....	82,053	75,000	60,000
Expenditures are distributed as follows:			
Out of current authorizations.....	10,443	15,000	
Out of prior authorizations.....	71,610	60,000	60,000

## [CONTROL OF FOREST PESTS]

## Control of Forest Pests, Agriculture

For expenses necessary for carrying out operations, measures, or surveys necessary to eradicate, suppress, control, or to prevent or retard the spread of insects or diseases which endanger forest trees on any lands in the United States, and for such quarantine measures relating thereto as may be necessary pursuant to the Plant Quarantine Act of August 20, 1912, as amended (7 U. S. C. 151-167), including the purchase (not to exceed one for emergency replacement only) and operation and maintenance of airplanes, and construction and alteration of necessary buildings: *Provided*, That the cost of constructing or altering any one building during the fiscal year shall not exceed \$2,500, as follows: ]

[Forest Pest Control Act: For carrying out the provisions of the Act approved June 25, 1947 (16 U. S. C., Supp. V, 594-1-594-5), \$2,300,000, of which \$1,900,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said Act to the extent necessary under the then existing conditions. ]

[White pine blister rust: White pine blister rust, pursuant to the Act of April 26, 1940 (16 U. S. C. 594a), \$3,000,000, of which \$460,000

shall be available to the Department of the Interior for the control of white pine blister rust on or endangering Federal lands under the jurisdiction of that Department or lands of Indian tribes which are under the jurisdiction of or retained under restrictions of the United States; \$1,590,000 to the Forest Service for the control of white pine blister rust on or endangering lands under its jurisdiction; and \$950,000 to the Bureau of Entomology and Plant Quarantine for leadership and general coordination of the entire program, method development, and for operations conducted under its direction for such control, including, but not confined to, the control of white pine blister rust on or endangering State and privately owned lands. ] (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, \$5,300,000

Appropriated (adjusted) 1954, \$5,286,354

NOTE.—Estimate of \$5,015,000 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Forest Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$6,649,434	\$5,300,000	
Transferred to—			
"Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," pursuant to 66 Stat. 354.....	-172,800		
"Salaries and expenses, Extension Service," pursuant to Public Law 286.....		-13,646	
Adjusted appropriation or estimate.....	6,476,634	5,286,354	
Reimbursements from non-Federal sources.....	15,455	16,300	
Reimbursements from other accounts.....	143,474	139,600	
Total available for obligation.....	6,635,563	5,442,254	
Unobligated balance, estimated savings.....	-553,684		
Obligations incurred.....	6,081,879	5,442,254	
Comparative transfer to "Salaries and expenses, Forest Service":			
Direct appropriation.....	-5,922,950	-5,286,354	
Reimbursements from non-Federal sources.....	-15,455	-16,300	
Reimbursements from other accounts.....	-143,474	-139,600	
Total obligations.....			

NOTE.—Reimbursements from non-Federal sources above are from payments by agencies for forest-pest-control work performed on State and private lands under terms of written cooperative agreements (16 U. S. C. 594-4); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,434,263	\$1,434,941	\$1,371,295
Adjustment in obligations of prior years.....	4,625		
Obligations incurred during the year.....	6,081,879	5,442,254	
	7,520,767	6,877,195	1,371,295
Deduct:			
Reimbursements.....	158,929	155,900	
Obligated balance carried to certified claims account.....	28,110		
Unliquidated obligations, end of year.....	1,434,941	1,371,295	50,795
Total expenditures.....	5,898,787	5,350,000	1,320,500
Expenditures are distributed as follows:			
Out of current authorizations.....	4,509,414	3,980,000	
Out of prior authorizations.....	1,389,373	1,370,000	1,320,500

## Miscellaneous

## Acquisition of Lands for National Forests, Special Acts, Forest Service

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$139,999		
Unobligated balance, estimated savings.....	-123,816		
Obligations incurred.....	16,183		

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
1. Uinta and Wasatch National Forests (Utah only).....	\$1,739		
2. Cache National Forest (Utah only).....	483		



**FOREST SERVICE—Continued****Miscellaneous—Continued***Acquisition of Lands for National Forests, Special Acts, Forest Service—Continued***OBLIGATIONS BY ACTIVITIES—continued**

Description	1953 actual	1954 estimate	1955 estimate
3. San Bernardino-Cleveland National Forests (Riverside County, Calif., only)	\$1,619		
4. Nevada-Toiyabe National Forests (Nevada)	7,026		
5. Angeles National Forest (California)	1,400		
6. Cleveland National Forest (San Diego County, Calif., only)	3,666		
7. Sequoia National Forest (California)	250		
Obligations incurred	16,183		

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
Average number of all employees	1		
01 Personal services: Positions other than permanent	\$6,979		
02 Travel	415		
03 Transportation of things	4		
04 Communication services	34		
05 Rents and utility services	65		
07 Other contractual services	2		
08 Supplies and materials	265		
10 Lands and structures	8,413		
15 Taxes and assessments	6		
Obligations incurred	16,183		

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$52,419	\$42,091	
Obligations incurred during the year	16,183		
	68,602	42,091	
Deduct:			
Adjustment in obligations of prior years	63		
Unliquidated obligations, end of year	42,091		
Total expenditures	26,448	42,091	
Expenditures are distributed as follows:			
Out of current authorizations	7,289		
Out of prior authorizations	19,159	42,091	

*Acquisition of Lands for National Forests, Superior National Forest, Forest Service***AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate	\$150,000		
Prior year balance available	196,383	\$314,893	\$100,000
Total available for obligation	346,383	314,893	100,000
Balance available in subsequent year	-314,893	-100,000	
Obligations incurred	31,490	214,893	100,000

**OBLIGATIONS BY ACTIVITIES**

Acquisition of forest land, Superior National Forest, Minn.—1953, \$31,490; 1954, \$214,893; 1955, \$100,000.

**PROGRAM AND PERFORMANCE**

Forest lands are acquired to preserve the wilderness conditions of part of the Superior National Forest in Minnesota. There are approximately 43,000 acres of privately owned land within the area, of which about 40,000 acres have been or will be purchased. Appropriation of the full amount authorized by the act of June 22, 1948 (Public Law 733), was completed in the fiscal year 1953.

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
Average number of all employees	1		
01 Personal services:			
Permanent positions	\$3,682		
Other positions	538		
Regular pay in excess of 52-week base	14		
Total personal services	4,234		
02 Travel	34		
03 Transportation of things	3		
07 Other contractual services	3		
08 Supplies and materials	134		
10 Lands and structures	27,082	\$214,893	\$100,000
Obligations incurred	31,490	214,893	100,000

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$13,014	\$35,449	\$150,342
Obligations incurred during the year	31,490	214,893	100,000
	44,504	250,342	250,342
Deduct unliquidated obligations, end of year	35,449	150,342	150,342
Total expenditures (out of prior authorizations)	9,055	100,000	100,000

*Forest Fire Cooperation, Department of Agriculture***ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$16,726		
Deduct:			
Adjustment in obligations of prior years	10,477		
Obligated balance carried to certified claims account	1,744		
Total expenditures (out of prior authorizations)	4,505		

*Forest Roads and Trails, Emergency Construction, Act June 19, 1934***AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year balance available	\$39		
Carried to surplus	-39		
Obligations incurred			

*Forest Roads and Trails***AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year balance available	\$5,179	\$13,743	
Recovery of prior year obligations	15,971		
Total available for obligation	21,150	13,743	
Balance available in subsequent year	-13,743		
Obligations incurred	7,407	13,743	

**OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
1. Forest bigways	\$1,452		
2. Development roads and trails	5,955	\$13,743	
Obligations incurred	7,407	13,743	

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Average number of all employees.....	1	1	
01 Personal services: Positions other than permanent.....	\$4,775	\$3,482	
02 Travel.....	675	97	
04 Communication services.....	1,092		
06 Printing and reproduction.....	47		
07 Other contractual services: Services performed by other agencies.....	7	110	
08 Supplies and materials.....	459	259	
09 Equipment.....	335		
10 Lands and structures.....		9,780	
15 Taxes and assessments.....	17	15	
Obligations incurred.....	7,407	13,743	

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year....	\$22,613	\$2,912	\$2,655
Obligations incurred during the year.....	7,407	13,743	
	30,020	16,655	2,655
Deduct:			
Adjustment in obligations of prior years.....	15,971		
Unliquidated obligations, end of year.....	2,912	2,655	
Total expenditures (out of prior authorizations).....	11,137	14,000	2,655

## Land Utilization Projects, Forest Service

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$95,497	\$85,255	
Balance available in subsequent year.....	-85,255		
Obligations incurred.....	10,242	85,255	

## OBLIGATIONS BY ACTIVITIES

Land development—1953, \$10,242; 1954, \$85,255.

## OBLIGATIONS BY OBJECTS

07 Other contractual services: Services performed by other agencies—1953, \$10,242; 1954, \$85,255.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year....	\$123,093		
Obligations incurred during the year.....	10,242	\$85,255	
Total expenditures (out of prior authorizations).....	133,335	85,255	

## Smoke Jumper Facilities, Forest Service

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$696,172	\$113,289	
Balance available in subsequent year.....	-113,289		
Obligations incurred.....	582,883	113,289	

## OBLIGATIONS BY ACTIVITIES

Construction of smoke-jumper headquarters and air cargo supply base—1953, \$582,883; 1954, \$113,289.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	2		
Full-time equivalent of all other positions.....	2	1	
Average number of all employees.....	5	2	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,790		
Average grade.....	GS-11.5		

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
01 Personal services:			
Permanent positions.....	\$18,418	\$8,412	
Other positions.....	8,296	1,500	
Regular pay in excess of 52-week base.....	22	32	
Payments above basic rates.....	828		
Total personal services.....	27,564	9,944	
02 Travel.....	1,792	1,000	
03 Transportation of things.....	22	100	
04 Communication services.....	303	200	
07 Other contractual services.....	4,040	2,000	
08 Supplies and materials.....	4,030	2,000	
09 Equipment.....	18		
10 Lands and structures.....	545,004	98,020	
15 Taxes and assessments.....	110	25	
Obligations incurred.....	582,883	113,289	

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year....	\$3,264	\$459,609	\$172,898
Obligations incurred during the year.....	582,883	113,289	
	586,147	572,898	172,898
Deduct unliquidated obligations, end of year.....	459,609	172,898	22,898
Total expenditures (out of prior authorizations).....	126,538	400,000	150,000

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedule of the parent appropriations, as follows:

“Watershed protection, Agriculture.”  
 “Flood prevention, Agriculture.”  
 “Agricultural conservation program, Agriculture.”  
 “Salaries and expenses, defense production activities, Agriculture.”  
 “Consolidated working fund, Agriculture.”  
 “Forest highways, Bureau of Public Roads.”  
 “Maintenance and operations, Army.”  
 “Research and development, Army.”  
 “Maintenance and operations, Air Force.”  
 “Research and development, Air Force.”  
 “Aircraft and related procurement, Air Force.”  
 “Flood control, general,” Corps of Engineers, civil.  
 “Mutual security, funds appropriated to the President.”

## SOIL CONSERVATION SERVICE

## [SALARIES AND EXPENSES] CONSERVATION OPERATIONS

## Conservation Operations, Soil Conservation Service

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U. S. C. 590a–590f), [title III of the Act of July 22, 1937 (7 U. S. C. 1010–1012), and the Act of August 11, 1945 (7 U. S. C. 1011 note),] including [research and investigations into irrigation, drainage, and watershed hydrology (including the construction, operation, and maintenance of experimental watersheds, stations, laboratories, plots, and installations); classification and mapping of soils; preparing] *preparation* of conservation plans and [establishing] *establishment* of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); [establishment and] operation of conservation nurseries; [development and management of land utilization project lands and facilities;] *classification and mapping of soils*; dissemination of information; purchase and erection or alteration of permanent buildings; operation and maintenance of aircraft; and furnishing of subsistence to employees; [\$60,944,014] \$54,898,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the



## SOIL CONSERVATION SERVICE—Continued

[SALARIES AND EXPENSES] CONSERVATION OPERATIONS—CON.

## Conservation Operations, Soil Conservation Service—Continued

Government: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U. S. C. 590a–590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service: *Provided further*, That the Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc Counties, Mississippi, administered under title III of the Act of July 22, 1937 (7 U. S. C. 1010–1012), and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act]. (5 U. S. C. 511–512, 565a; 7 U. S. C. 1387; 16 U. S. C. 590q–1; 66 Stat. 65; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$60,944,014 Estimate 1955, \$54,898,000  
Appropriated (adjusted) 1954, \$60,719,514

\* Excludes \$1,367,235 for activities transferred in the estimates to the following appropriations:  
“Salaries and expenses, Agricultural Research Service”..... \$607,180  
“Federal Extension Service”..... 25,055  
“Salaries and expenses, Forest Service”..... 735,000  
The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$60,203,922	\$60,944,014	\$54,898,000
Transferred from “Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration,” pursuant to Reorganization Plan No. 1 of 1947.....	128,626		
Transferred to—			
“Salaries and expenses, Bureau of Agricultural Economics,” pursuant to Public Law 286.....		—224,500	
“Agricultural adjustment programs, Commodity Stabilization Service,” pursuant to Public Law 59.....	—922,000		
“Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service,” pursuant to 66 Stat. 354.....	—208,000		
Adjusted appropriation or estimate.....	59,202,548	60,719,514	54,898,000
Prior year balance available.....	5,778,272	1,997,883	
Reimbursements from non-Federal sources.....	299,885	440,663	1,328,400
Reimbursements from other accounts.....	898,147	967,590	1,010,600
Total available for obligation.....	66,178,852	64,125,650	57,237,000
Balance available in subsequent year.....	—1,997,883		
Unobligated balance, estimated savings.....	—1,031,003	—800,000	
Obligations incurred.....	63,149,966	63,325,650	57,237,000
Comparative transfer from—			
“Flood prevention, Agriculture”.....	1,513,292		
“Salaries and expenses, Office of Administrator, Agricultural Research Administration”.....	11,300		
Comparative transfer to—			
“Federal Extension Service”.....	—25,055	—25,055	
“Salaries and expenses, Agricultural Research Service”:			
Direct appropriation.....	—620,119	—627,180	
Reimbursements from non-Federal sources.....	—7,312	—475	
Reimbursements from other accounts.....	—9,886	—11,036	
“Salaries and expenses, Forest Service”:			
Direct appropriation.....	—1,216,968	—1,248,000	
Reimbursements from non-Federal sources.....	—4,145	—2,100	
Reimbursements from other accounts.....	—270	—3,916	
Total obligations.....	62,790,803	61,407,888	57,237,000

NOTE.—Reimbursements from non-Federal sources above are from State, county, municipal, and private organizations for soil and water conservation work rendered under cooperative agreements (5 U. S. C. 118; 16 U. S. C. 590a–590f); from governmental agencies, farmers, or other persons for reproduction of aerial and other photographs, mosaics, and soils, land-use, and other maps (7 U. S. C. 1387); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Assistance to soil conservation districts and other cooperators.....	\$57,504,630	\$56,505,987	\$53,384,708
2. Additional measures to accelerate flood prevention.....	1,513,292	1,513,292	1,513,292
3. Emergency channel restoration in flood-stricken areas.....	2,596,462	1,997,883	
4. Obligations under reimbursements from non-Federal sources.....	288,428	438,088	1,328,400
Total direct obligations.....	61,902,812	60,455,250	56,226,400
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Assistance to soil conservation districts and other cooperators.....	884,690	938,947	1,010,600
2. Additional measures to accelerate flood prevention.....		12,655	
3. Emergency channel restoration in flood-stricken areas.....	3,301	1,036	
Total obligations payable out of reimbursements from other accounts.....	887,991	952,638	1,010,600
Total obligations.....	62,790,803	61,407,888	57,237,000

## PROGRAM AND PERFORMANCE

The Service, in cooperation with State and other agencies, aids in bringing about physical adjustments in land use to conserve soil and water resources, establish a permanent and balanced agriculture, and reduce the hazards of floods and sedimentation.

Proposed decreases are due to elimination of nursery liquidation expense, performance of certain map reproduction work on a reimbursable basis, organization adjustments at other than the field work unit level, and elimination of funds for emergency channel restoration work.

1. *Assistance to soil conservation districts and other cooperators.*—Assistance furnished soil conservation districts and other cooperators in developing and carrying out locally adapted programs in the States and Territories consists in the main of (a) soil surveys to provide physical land facts needed for farm and ranch conservation planning, and by other Federal, State, and local agencies and the public; (b) technical assistance in developing and applying conservation farm and ranch plans which allow for the best possible use of the farmer's land, labor, equipment, and financial resources; (c) loan of special equipment not otherwise readily available to the farmers; (d) stream-flow forecasts as a basis for efficient seasonal utilization of water in the Western States; and (e) observational field testing of promising conservation plant materials.

2. *Additional measures to accelerate flood prevention.*—Land treatment measures which produce direct flood prevention benefits are being installed at an accelerated rate on watersheds where flood prevention programs are being conducted to complement the works of improvement installed under the flood prevention appropriation. Work consists of preparation of subwatershed work plans and assistance to farmers and ranchers in developing conservation farm and ranch plans and installing conservation measures.

3. *Emergency channel restoration in flood-stricken areas.*—Work consists of assistance in restoring the channel capacity of streams and waterways in agricultural areas damaged by floods and includes removing debris and sediment plugs from stream channels, cleaning and reconstructing irrigation canals, drainage ditches, headgates, and outlets, providing protection to stream banks to prevent channel changes, and construction of levees, dikes, barriers, and other stabilizing structures.



## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	12,418	12,806	12,066
Full-time equivalent of all other positions.....	790	612	417
Average number of all employees.....	11,467	11,156	10,419
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,391	\$4,405	\$4,497
Average grade.....	GS-6.2	GS-6.3	GS-6.4
Personal service obligations:			
Permanent positions.....	\$47,270,302	\$47,192,993	\$45,418,400
Other positions.....	2,154,724	1,747,000	1,219,740
Regular pay in excess of 52-week base.....	191,268	200,600	198,089
Payment above basic rates.....	129,232	60,507	43,171
Other payments for personal services.....	450	700	
Total personal service obligations.....	49,745,976	49,201,800	46,874,400
<i>Direct Obligations</i>			
01 Personal services.....	49,436,685	48,935,200	46,578,000
02 Travel.....	1,779,076	1,785,000	1,788,000
03 Transportation of things.....	368,872	378,700	340,000
04 Communication services.....	509,978	687,400	669,000
05 Rents and utility services.....	1,109,602	1,128,600	1,157,000
06 Printing and reproduction.....	284,425	293,000	280,000
07 Other contractual services.....	3,248,640	2,613,643	1,273,600
Services performed by other agencies.....	59,555	14,400	10,000
08 Supplies and materials.....	2,870,087	2,775,900	2,667,000
09 Equipment.....	2,052,962	1,772,500	1,416,000
10 Lands and structures.....	26,920	8,000	
13 Refunds, awards, and indemnities.....	99,618	2,000	2,000
Awards for employee suggestions.....	550	700	500
15 Taxes and assessments.....	63,249	63,300	47,000
Subtotal.....	61,910,219	60,458,343	56,228,100
Deduct rebates for quarters and subsistence.....	7,407	3,093	1,700
Total direct obligations.....	61,902,812	60,455,250	56,226,400
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	309,291	266,600	296,400
02 Travel.....	7,568	8,900	10,000
03 Transportation of things.....	3,704	1,700	2,000
04 Communication services.....	469	400	500
05 Rents and utility services.....	44,220	54,900	50,000
06 Printing and reproduction.....		200	200
07 Other contractual services.....	244,344	263,838	275,400
08 Supplies and materials.....	187,629	222,000	239,500
09 Equipment.....	90,659	134,000	136,500
15 Taxes and assessments.....	107	100	100
Total obligations payable out of reimbursements from other accounts.....	887,991	952,638	1,010,600
Total obligations.....	62,790,803	61,407,888	57,237,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$5,514,967	\$5,856,633	\$5,881,030
Obligations incurred during the year.....	63,149,966	63,325,650	57,237,000
Deduct:			
Adjustment in obligations of prior years.....	68,664,933	69,182,283	63,118,030
Reimbursements.....	206,619		
Obligated balances carried to certified claims account.....	1,198,032	1,408,253	2,339,000
Unliquidated obligations, end of year.....	45,190		
Total expenditures.....	5,856,633	5,881,030	5,279,030
Expenditures are distributed as follows:			
Out of current authorizations.....	61,358,459	56,242,000	50,662,000
Out of prior authorizations.....		5,651,000	4,838,000

## WATERSHED PROTECTION

## Watershed Protection, Agriculture

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the provisions of [Public Law 46, Seventy-fourth Congress] the Act of April 27, 1935 (16 U. S. C. 590a-590f); \$5,000,000. (Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$5,000,000

Estimate 1955, \$5,000,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....		\$5,000,000	\$5,000,000
Reimbursements from other accounts.....		500	
Obligations incurred.....		5,000,500	5,000,000

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
Watershed protection.....		\$5,000,000	\$5,000,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
Watershed protection.....		500	
Obligations incurred.....		5,000,500	5,000,000

## PROGRAM AND PERFORMANCE

The Department, in cooperation with local soil conservation districts, watershed organizations, and other local agencies, furnishes technical assistance in the planning and application of conservation treatment measures to protect watershed lands from soil and water loss. Waterflow-retarding structures and other control measures are also installed on a cost-sharing basis with local interests.

Watersheds in which this work is performed were selected on the basis of surveys which show a favorable cost-benefit ratio and where local people and organizations have demonstrated a willingness and ability to assume a share of the cost of installation. All easements and rights-of-way incident to the structural work and all maintenance services pertaining to the completed works of improvement are furnished by local interests. The vegetative practices, changes in land use, and other conservation measures are installed by the farmers cooperating with the local soil conservation districts and watershed organizations.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>SOIL CONSERVATION SERVICE</i>			
Total number of permanent positions.....		244	275
Full-time equivalent of all other positions.....		18	13
Average number of all employees.....		313	360
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$4,208	\$4,378
Average grade.....		GS-6.3	GS-6.3
<i>Direct Obligations</i>			
01 Personal services:			
Permanent positions.....		\$1,194,530	\$1,455,971
Other positions.....		58,070	40,200
Regular pay in excess of 52-week base.....		3,200	3,900
Payment above basic rates.....		500	129
Total personal services.....		1,256,300	1,500,200
02 Travel.....		139,300	142,200
03 Transportation of things.....		17,300	10,600
04 Communication services.....		11,300	16,000
05 Rents and utility services.....		4,700	16,500
06 Printing and reproduction.....		18,900	15,300
07 Other contractual services.....		2,872,500	2,700,500
Services performed by other agencies.....		9,700	10,000
08 Supplies and materials.....		163,600	134,500
09 Equipment.....		83,000	31,400
15 Taxes and assessments.....		3,100	2,500
Total direct obligations.....		4,580,000	4,580,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
09 Equipment.....		500	
Obligations incurred.....		4,580,500	4,580,000



## SOIL CONSERVATION SERVICE—Continued

## WATERSHED PROTECTION—continued

## Watershed Protection, Agriculture—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO FOREST SERVICE</b>			
Total number of permanent positions.....		19	19
Full-time equivalent of all other positions.....		17	17
Average number of all employees.....		34	34
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$5,221	\$5,272
Average grade.....		GS-7.9	GS-7.9
Crafts, protective, and custodial grades:			
Average salary.....		\$3,793	\$3,855
Average grade.....		CPC-8.0	CPC-8.0
01 Personal services:			
Permanent positions.....		\$92,315	\$93,220
Other positions.....		57,825	57,825
Regular pay in excess of 52-week base.....		397	397
Other payments for personal services.....		16,500	16,500
Total personal services.....		167,037	167,942
02 Travel.....		24,651	24,600
03 Transportation of things.....		2,100	2,100
04 Communication services.....		1,100	1,100
05 Rents and utility services.....		975	1,000
06 Printing and reproduction.....		300	300
07 Other contractual services:			
Services performed by other agencies.....		95,435	95,400
08 Supplies and materials.....		5,500	5,500
09 Equipment.....		79,127	78,318
13 Refunds, awards, and indemnities.....		4,135	4,100
15 Taxes and assessments.....		19,400	19,400
Taxes and assessments.....		240	240
Obligations incurred.....		400,000	400,000
<b>ALLOTMENT TO AGRICULTURAL RESEARCH SERVICE</b>			
Total number of permanent positions.....		4	4
Full-time equivalent of all other positions.....		1	1
Average number of all employees.....		3	3
Average salary and grades:			
General schedule grades:			
Average salary.....		\$6,520	\$6,651
Average grade.....		GS-11.0	GS-11.0
01 Personal services:			
Permanent positions.....		\$16,900	\$17,100
Other positions.....		1,000	1,000
Regular pay in excess of 52-week base.....		100	100
Total personal services.....		18,000	18,200
02 Travel.....		2,000	1,800
Obligations incurred.....		20,000	20,000
<b>SUMMARY</b>			
Total number of permanent positions.....		267	298
Full-time equivalent of all other positions.....		36	31
Average number of all employees.....		350	397
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$4,309	\$4,460
Average grade.....		GS-6.4	GS-6.5
Crafts, protective, and custodial grades:			
Average salary.....		\$3,793	\$3,855
Average grade.....		CPC-8.0	CPC-8.0
<b>Direct Obligations</b>			
01 Personal services:			
Permanent positions.....		\$1,303,745	\$1,566,291
Other positions.....		116,895	99,025
Regular pay in excess of 52-week base.....		3,697	4,397
Payment above basic rates.....		500	129
Other payments for personal services.....		16,500	16,500
Total personal services.....		1,441,337	1,686,342
02 Travel.....		165,951	168,600
03 Transportation of things.....		19,400	12,700
04 Communication services.....		12,400	17,100
05 Rents and utility services.....		5,675	17,500
06 Printing and reproduction.....		19,200	15,600
07 Other contractual services:			
Services performed by other agencies.....		2,968,235	2,795,900
08 Supplies and materials.....		15,200	15,500
09 Equipment.....		242,727	213,118
13 Refunds, awards, and indemnities.....		87,135	35,500
15 Taxes and assessments.....		19,400	19,400
Taxes and assessments.....		3,340	2,740
Total direct obligations.....		5,000,000	5,000,000

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY—continued</b>			
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
09 Equipment.....		\$500	
Obligations incurred.....		5,000,500	\$5,000,000
<b>ANALYSIS OF EXPENDITURES</b>			
	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....			\$958,000
Obligations incurred during the year.....		\$5,000,500	5,000,000
Deduct:		5,000,500	5,958,000
Reimbursements.....		500	
Unliquidated obligations, end of year.....		958,000	1,146,000
Total expenditures.....		4,042,000	4,812,000
Expenditures are distributed as follows:			
Out of current authorizations.....		4,042,000	3,874,000
Out of prior authorizations.....			938,000

## FLOOD PREVENTION

## Flood Prevention, Agriculture

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (Public Law 738) as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to make preliminary examinations and surveys, and to perform works of improvement, and to plan the agricultural phases of the development of [the Columbia Basin area,] the Arkansas-White-Red River area, the New England-New York area, [the Missouri River area, and the Mississippi River area,] including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed \$100 per diem, to remain available until expended, [\$7,000,000] \$5,739,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated, nor shall any part of such funds be used for the purchase of lands in the counties of Adair, Cherokee, and Sequoyah, in the State of Oklahoma, and Neosho, Cottonwood, Verdigris, Caney, and tributaries in Kansas, without the specific approval of the Board of County Commissioners of the county in which such lands are situated: *Provided further*, That of the funds available herein, not in excess of [\$6,286,329] \$5,261,500 (with which shall be merged the unexpended balance of funds heretofore made available for these purposes) may be expended in watersheds heretofore authorized by section 13 of the Flood Control Act of December 22, 1944, for necessary gully control, floodwater detention, and floodway structures in areas other than those over which the Department of the Army has jurisdiction and responsibility. (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, \$7,000,000

Estimate 1955, \* \$5,739,000

\* Excludes \$18,000 for activities transferred in the estimates to "Salaries and expenses, Office of the Solicitor." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$7,749,425	\$7,000,000	\$5,739,000
Prior year balance available.....	418,348	1,096,380	1,033,755
Reimbursements from non-Federal sources.....	10,909	9,690	8,445
Reimbursements from other accounts.....	56,249	20,344	5,400
Total available for obligation.....	8,234,931	8,126,414	6,786,600
Balance available in subsequent year.....	-1,096,380	-1,033,755	
Obligations incurred.....	7,138,551	7,092,659	6,786,600
Comparative transfer to—			
"Salaries and expenses, Forest Service".....	-372,566		
"Forest roads and trails, Forest Service".....	-71,958		
"State and private forestry cooperation, Forest Service".....	-71,776		



## AMOUNTS AVAILABLE FOR OBLIGATION—continued

	1953 actual	1954 estimate	1955 estimate
Comparative transfer to—Continued “Conservation operations, Soil Conservation Service”	—\$1,513,292		
“Salaries and expenses, Office of the Solicitor, Agriculture”	—18,426	—\$18,000	
Total obligations	5,090,533	7,074,659	\$6,786,600

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Preliminary examinations and surveys.	\$653,971	\$561,001	\$177,500
2. Works of improvement	4,200,786	6,294,829	6,295,255
3. General basin investigations in the Arkansas-White-Red River and New England-New York areas	168,618	188,795	300,000
4. Obligations under reimbursements from non-Federal sources	10,909	9,690	8,445
Total direct obligations	5,034,284	7,054,315	6,781,200
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Preliminary examinations and surveys.	48,838	18,944	5,400
2. Works of improvement	5,411		
3. General basin investigations in the Arkansas-White-Red River and New England-New York areas	2,000	1,400	
Total obligations payable out of reimbursements from other accounts	56,249	20,344	5,400
Total obligations	5,090,533	7,074,659	6,786,600

## PROGRAM AND PERFORMANCE

The aim of the Department's flood-prevention work on watersheds is to prevent or reduce floodwater and sediment damage in upstream areas and to reduce sedimentation of river channels and reservoirs.

1. *Preliminary examinations and surveys.*—Preliminary examinations and surveys of authorized watersheds are made to determine flood damage occurring and whether the benefits resulting from installation of a program of works of improvement in each watershed would exceed the cost of installing the improvement measures. Based on these examinations and surveys, reports are prepared and submitted to the Congress recommending the programs and measures that should be installed to retard runoff and waterflow and prevent erosion. For 1955 it is proposed to eliminate all survey work except for six review surveys on watersheds where works of improvement are presently underway.

2. *Works of improvement.*—Improvement measures recommended in survey reports were authorized for installation on 11 watersheds by the Flood Control Act of 1944. Measures primarily for flood prevention, such as flood-water-retarding and sediment-control structures, debris barriers and basins, deflectors, diversion ditches and dikes, riprapping of stream banks, and other channel improvements, are being installed on these watersheds usually by private contractors, on a cost-sharing basis with local interests. Land treatment measures which contribute to flood prevention are installed by private owners with technical and other assistance being provided by the various bureaus of the Department under their regular programs. Measures installed on the watersheds are complementary to the mainstream flood-control structures and works constructed by the Corps of Engineers and other agencies.

3. *General basin investigations in the Arkansas-White-Red River, and New England-New York areas.*—In cooper-

ation with the respective States involved and other Federal agencies, the Department is participating in the preparation of the agricultural phases of comprehensive resource development plans for the Arkansas-White-Red River and the New England-New York areas.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SOIL CONSERVATION SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions	247	410	365
Full-time equivalent of all other positions	22	89	84
Average number of all employees	217	475	473
Average salaries and grades:			
General schedule grades:			
Average salary	\$4,549	\$4,581	\$4,670
Average grade	GS-6.8	GS-6.5	GS-6.6
Personal service obligations:			
Permanent positions	\$896,186	\$1,769,800	\$1,836,800
Other positions	60,977	224,100	218,200
Regular pay in excess of 52-week base	2,709	6,900	7,200
Payment above basic rates	1,226	2,700	1,900
Total personal service obligations	961,098	2,003,500	2,064,100
<i>Direct Obligations</i>			
01 Personal services	926,564	1,986,500	2,060,700
02 Travel	66,569	174,400	183,300
03 Transportation of things	6,105	11,000	11,100
04 Communication services	10,579	16,600	17,300
05 Rents and utility services	15,650	54,000	55,100
06 Printing and reproduction	25,310	31,100	34,100
07 Other contractual services	2,591,534	3,383,512	3,241,845
Services performed by other agencies	33,252	51,800	50,000
08 Supplies and materials	213,512	228,300	232,000
09 Equipment	184,112	106,600	78,000
13 Refunds, awards, and indemnities	251		
15 Taxes and assessments	2,333	5,400	4,000
Subtotal	4,075,771	6,049,212	5,967,445
Deduct charges for quarters and subsistence	71		
Total direct obligations	4,075,700	6,049,212	5,967,445
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services	34,534	17,000	3,400
02 Travel	2,347	500	570
03 Transportation of things	7		
07 Other contractual services	4,558	44	
08 Supplies and materials	1,755	400	30
09 Equipment	386		
15 Taxes and assessments	4		
Total obligations payable out of reimbursements from other accounts	43,591	17,944	4,000
Total obligations	4,119,291	6,067,156	5,971,445
<b>ALLOTMENT TO FOREST SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions	139	99	83
Full-time equivalent of all other positions	7	86	81
Average number of all employees	120	188	162
Average salaries and grades:			
General schedule grades:			
Average salary	\$5,087	\$4,969	\$4,778
Average grade	GS-7.5	GS-7.2	GS-6.8
Ungraded positions: Average salary	\$3,078	\$3,182	\$3,182
Personal service obligations:			
Permanent positions	\$519,102	\$451,541	\$338,000
Other positions	17,332	164,383	155,000
Regular pay in excess of 52-week base	1,991	1,636	1,300
Payment above basic rates	317	1,100	1,100
Total personal service obligations	538,742	618,660	495,400
<i>Direct Obligations</i>			
01 Personal services	529,213	617,660	495,400
02 Travel	25,363	27,500	16,500
03 Transportation of things	6,408	5,000	3,900
04 Communication services	4,971	5,000	3,400
05 Rents and utility services	8,213	7,500	7,400
06 Printing and reproduction	142	1,000	
07 Other contractual services	94,901	125,000	124,380
Services performed by other agencies	6,422	6,000	6,000
08 Supplies and materials	114,132	113,744	114,700
09 Equipment	1,408	14,500	11,500
13 Refunds, awards, and indemnities	150	100	100
15 Taxes and assessments	240	250	250
Subtotal	791,563	923,254	783,530



## SOIL CONSERVATION SERVICE—Continued

## FLOOD PREVENTION—continued

## Flood Prevention, Agriculture—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO FOREST SERVICE—CON.</b>			
<i>Direct Obligations—Continued</i>			
Deduct charges for quarters and subsistence.....	\$214		
Total direct obligations.....	791,349	\$923,254	\$783,530
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	9,529	1,000	
02 Travel.....	347		
04 Communication services.....	90		
07 Other contractual services.....	692		
Total obligations payable out of reimbursements from other accounts.....	10,658	1,000	
Total obligations.....	802,007	924,254	783,530
<b>ALLOTMENT TO AGRICULTURAL CONSERVATION PROGRAM SERVICE</b>			
Total number of permanent positions.....	8		
Average number of all employees.....	8		
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary.....	\$4,686		
Average grade.....	GS-6.6		
01 Personal services:			
Permanent positions.....	\$50,344		
Regular pay in excess of 52-week base.....	195		
Total personal services.....	50,539		
02 Travel.....	3,707		
03 Transportation of things.....	53		
04 Communication services.....	103		
07 Other contractual services:			
Advanced to "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392.....	4,024		
08 Supplies and materials.....	64		
09 Equipment.....	110		
Total obligations.....	58,600		
<b>ALLOTMENT TO AGRICULTURAL RESEARCH SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	14	12	5
Full-time equivalent of all other positions.....		1	
Average number of all employees.....	10	9	4
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary.....	\$6,527	\$6,801	\$6,828
Average grade.....	GS-10.1	GS-10.3	GS-10.6
<i>Personal service obligations:</i>			
Permanent positions.....	\$63,358	\$55,064	\$27,400
Other positions.....	64	1,475	
Regular pay in excess of 52-week base.....	214	250	100
Total personal service obligations.....	63,636	56,789	27,500
<i>Direct Obligations</i>			
01 Personal services.....	61,636	55,389	26,100
02 Travel.....	5,208	4,410	4,125
04 Communication services.....	104	200	
07 Other contractual services.....	516	300	
Services performed by other agencies.....	906	1,900	
08 Supplies and materials.....	169	100	
09 Equipment.....	13		
15 Taxes and assessments.....	98	50	
Total direct obligations.....	68,650	62,349	30,225
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	2,000	1,400	1,400
Total obligations.....	70,650	63,749	31,625

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO RURAL ELECTRIFICATION ADMINISTRATION</b>			
Average number of all employees.....	1		
01 Personal services: Positions other than permanent.....	\$3,674		
02 Travel.....	326		
Total obligations.....	4,000		
<b>ALLOTMENT TO FARMERS' HOME ADMINISTRATION</b>			
Total number of permanent positions.....	1		
Average number of all employees.....	1	1	
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary.....	\$8,040		
Average grade.....	GS-12.0		
01 Personal services: Permanent positions (total obligations).....	\$6,927	\$1,500	
<b>ALLOTMENT TO FARM CREDIT ADMINISTRATION</b>			
07 Other contractual services.....	\$192		
<b>ALLOTMENT TO EXTENSION SERVICE</b>			
Average number of all employees.....	1		
01 Personal services: Positions other than permanent.....	\$637		
02 Travel.....	671	\$1,000	
07 Other contractual services.....	6,000		
Total obligations.....	7,308	1,000	
<b>SUMMARY</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	409	521	453
Full-time equivalent of all other positions.....	29	176	165
Average number of all employees.....	358	673	640
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary.....	\$4,808	\$4,684	\$4,711
Average grade.....	GS-7.1	GS-6.7	GS-6.7
Ungraded positions; Average salary.....	\$3,078	\$3,182	\$3,182
<i>Personal service obligations:</i>			
Permanent positions.....	\$1,540,228	\$2,277,905	\$2,202,200
Other positions.....	78,373	389,958	373,200
Regular pay in excess of 52-week base.....	5,109	8,786	8,600
Payment above basic rates.....	1,543	3,800	3,000
Total personal service obligations.....	1,625,253	2,680,449	2,587,000
<i>Direct Obligations</i>			
01 Personal services.....	1,579,190	2,661,049	2,582,200
02 Travel.....	101,844	207,310	203,925
03 Transportation of things.....	12,566	16,000	15,000
04 Communication services.....	15,757	21,800	20,700
05 Rents and utility services.....	23,863	61,500	62,500
06 Printing and reproduction.....	25,452	32,100	34,100
07 Other contractual services.....	2,714,701	3,525,812	3,366,225
Advanced to "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392.....	4,024		
Services performed by other agencies.....	40,580	59,700	56,000
08 Supplies and materials.....	327,877	342,144	346,700
09 Equipment.....	185,643	121,100	89,500
13 Refunds, awards, and indemnities.....	401	100	100
15 Taxes and assessments.....	2,671	5,700	4,250
Subtotal.....	5,034,569	7,054,315	6,781,200
Deduct charges for quarters and subsistence.....	285		
Total direct obligations.....	5,034,284	7,054,315	6,781,200
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	46,063	19,400	4,800
02 Travel.....	2,694	500	570
03 Transportation of things.....	7		
04 Communication services.....	90		
07 Other contractual services.....	5,250	44	
08 Supplies and materials.....	1,755	400	30
09 Equipment.....	386		

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY—continued</b>			
<i>Obligations Payable Out of Reimbursements From Other Accounts—Continued</i>			
15 Taxes and assessments.....	\$4		
Total obligations payable out of reimbursements from other accounts.....	56,249	\$20,344	\$5,400
Total obligations.....	5,090,533	7,074,659	6,786,600

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,926,758	\$2,689,614	\$3,041,239
Obligations incurred during the year.....	7,138,551	7,092,659	6,786,600
	9,065,309	9,782,273	9,827,839
Deduct:			
Reimbursements.....	67,158	30,034	13,845
Unliquidated obligations, end of year.....	2,689,614	3,041,239	3,061,994
Total expenditures.....	6,308,537	6,711,000	6,752,000
Expenditures are distributed as follows:			
Out of current authorizations.....	6,308,537	3,538,000	3,613,000
Out of prior authorizations.....		3,173,000	3,139,000

## WATER CONSERVATION AND UTILIZATION PROJECTS

## Water Conservation and Utilization Projects, Soil Conservation Service

For expenses necessary to carry [into effect] out the functions of the Department under the Acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10), as amended and supplemented, June 28, 1949 (Public Law 132), and September 6, 1950 (7 U. S. C. 1033-1039), relating to water conservation and utilization projects, to remain available until expended, [\$685,000] \$480,000, which sum shall be merged with the unexpended balances of funds heretofore appropriated to said Department for the purposes of said Acts. (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, \$685,000 Estimate 1955, \$480,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$425,500	\$685,000	\$480,000
Prior year balance available.....	31,752	56,404	
Reimbursements from non-Federal sources.....	343		
Reimbursements from other accounts.....	8,160	2,096	2,000
Total available for obligation.....	465,755	743,500	482,000
Balance available in subsequent year.....	-56,404		
Obligations incurred.....	409,351	743,500	482,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<b>Direct Obligations</b>			
1. Land development.....	\$349,193	\$700,644	\$455,000
2. Land management, settlement, and technical guidance.....	51,655	40,760	25,000
3. Obligations under reimbursements from non-Federal sources.....	343		
Total direct obligations.....	401,191	741,404	480,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Land development.....	8,160	2,096	2,000
Obligations incurred.....	409,351	743,500	482,000

## PROGRAM AND PERFORMANCE

In cooperation with the Bureau of Reclamation, which constructs the dams, reservoirs, and principal canals, the

Service develops efficient irrigation farming units on these specific projects for ultimate sale.

1. *Land development.*—Land classification and topographic surveys are made, and project lands are subdivided into farm units of economic size. The land is cleared and leveled, and farm ditches, drains, and other water-control structures are built. Of the four remaining projects, two are scheduled for completion in 1954, one in 1955, and one in 1957. Because two projects will be completed in 1954 and another is near completion, a decrease of \$205,000 in the estimate for 1955 is proposed.

2. *Land management, settlement, and technical guidance.*—In order to protect and improve Government-owned project lands, developed farm units are leased to local people under specific use conditions or are planted to protective cover crops pending their sale to qualified farm families. Technical guidance on irrigation and conservation is furnished until the project is closed.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>Summary of Personal Services</b>			
Total number of permanent positions.....	52	68	63
Full-time equivalent of all other positions.....	30	93	43
Average number of all employees.....	77	158	103
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,141	\$4,125	\$4,216
Average grade.....	GS-5.6	GS-5.6	GS-5.9
Crafts, protective, and custodial grades:			
Average salary.....	\$3,347	\$3,166	\$3,226
Average grade.....	CPC-6.0	CPC-5.3	CPC-5.6
Personal service obligations:			
Permanent positions.....	\$197,165	\$265,999	\$251,696
Other positions.....	95,200	301,847	136,300
Regular pay in excess of 52-week base.....	435	1,111	1,004
Payment above basic rates.....	23,370	65,243	25,000
Total personal service obligations.....	316,170	634,200	414,000
<b>Direct Obligations</b>			
01 Personal services.....	315,342	634,200	414,000
02 Travel.....	3,760	5,500	4,200
03 Transportation of things.....	1,364	2,000	1,900
04 Communication services.....	1,693	2,300	1,700
05 Rents and utility services.....	3,949	4,700	4,000
06 Printing and reproduction.....	347	300	200
07 Other contractual services.....	9,302	3,904	3,600
08 Supplies and materials.....	60,492	70,300	47,600
09 Equipment.....	224	1,500	1,400
10 Lands and structures.....	4,230	12,000	
15 Taxes and assessments.....	2,298	6,600	3,300
Subtotal.....	403,001	743,304	481,900
Deduct charges for quarters and subsistence.....	1,810	1,900	1,900
Total direct obligations.....	401,191	741,404	480,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	828		
08 Supplies and materials.....	7,332	480	400
09 Equipment.....		1,616	1,600
Total obligations payable out of reimbursements from other accounts.....	8,160	2,096	2,000
Obligations incurred.....	409,351	743,500	482,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$40,564	\$56,818	\$119,222
Obligations incurred during the year.....	409,351	743,500	482,000
	449,915	800,318	601,222
Deduct:			
Reimbursements.....	8,503	2,096	2,000
Unliquidated obligations, end of year.....	56,818	119,222	72,222
Total expenditures.....	384,594	679,000	527,000
Expenditures are distributed as follows:			
Out of current authorizations.....	384,594	624,000	476,000
Out of prior authorizations.....		55,000	51,000



## SOIL CONSERVATION SERVICE—Continued

## Miscellaneous

## Land Utilization and Retirement of Submarginal Land, Soil Conservation Service

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$4, 478		
Deduct:			
Adjustment in obligations of prior years.....	3, 847		
Obligated balance carried to certified claims account.....	631		
Total expenditures.....			

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Agricultural conservation program, Agriculture."  
 "Flood prevention, Agriculture."  
 "Watershed protection, Agriculture."  
 "Consolidated working fund, Agriculture."  
 "Mutual security, funds appropriated to the President."  
 "Maintenance and operation, Air Force."  
 "Maintenance and improvement of existing river and harbor works, Corps of Engineers, civil."  
 "Civil engineering, Navy."  
 "Flood control, general, Corps of Engineers, civil."  
 "Maintenance and operations, Army."  
 "Construction and rehabilitation, Bureau of Reclamation."

AGRICULTURAL CONSERVATION PROGRAM  
SERVICE

## Agricultural Conservation Program, Agriculture

[To enable the Secretary] For necessary expenses to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g–590q), [including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$211,982,000] \$195,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building practices and soil- and water-conserving practices authorized under this head in the Department of Agriculture Appropriation Act, [1953] 1954, carried out during the period July 1, [1952] 1953, to December 31, [1953] 1954, inclusive, of which amount \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds]: *Provided*, That not to exceed [\$26,178,700] \$22,500,000 of the total sum provided under this head shall be available during the current fiscal year for salaries and other administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than [\$4,500,000] \$4,020,000 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States Code: *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: [Provided further, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1954 program of soil-building practices and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$195,000,000, including administration, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the proportion allocated to any State shall not be reduced more

than 15 per centum from the distribution for the next preceding program year, and no participant shall receive more than \$1,500); but the payments or grants under such programs shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (b)), for the respective States: *Provided further*, That not to exceed 5 per centum of the allocation for the agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and the funds so allotted may be placed in a single account for each State, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties: ] *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

[The funds appropriated to the Department of Agriculture in the Act of June 4, 1952 (Public Law 371) shall remain available until December 31, 1954.] (*Supplemental Appropriation Act, 1954; Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, \$211,982,000 Estimate 1955, \$195,000,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$251,747,866	\$211,982,000	\$195,000,000
Transferred to "Agricultural adjustment programs, Commodity Stabilization Service," pursuant to Public Law 59.....	-1,938,000		
Adjusted appropriation or estimate.....	249,809,866	211,982,000	195,000,000
Prior year balance available.....	1,590,231	5,464,902	
Balance transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service," pursuant to Public Law 156.....		-2,172,134	
Recovery of prior year obligations.....	7,089,671		
Reimbursements from non-Federal sources.....	302,076	300,000	300,000
Reimbursements from other accounts.....	98,987	144,500	144,000
Reimbursements from Commodity Credit Corporation loans.....	35,410,222	31,000,000	
Total available for obligation.....	294,301,053	246,719,268	195,444,000
Balance available in subsequent year.....	-5,464,902		
Unobligated balance, estimated savings.....		-929,790	
Obligations incurred.....	288,836,151	245,789,478	195,444,000

NOTE.—There are available as a credit to this appropriation receipts from sale of aerial photographs (7 U. S. C. 1387).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Conservation aids to farmers.....	\$251,158,088	\$228,571,778	\$164,005,742
2. Farmland restoration in flood-stricken areas.....	1,277,000	2,362,978	
3. Payment of loan from Commodity Credit Corporation.....	36,000,000	14,410,222	30,994,258
4. Obligations under reimbursements from non-Federal sources.....	302,076	300,000	300,000
Total direct obligations.....	288,737,164	245,644,978	195,300,000



## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Conservation aids to farmers.....	\$98,987	\$144,000	\$144,000
2. Farmland restoration in flood-stricken areas.....		500	
Total obligations payable out of reimbursements from other accounts.....	98,987	144,500	144,000
Obligations incurred.....	288,836,151	245,789,478	195,444,000

## PROGRAM AND PERFORMANCE

This program is designed to encourage conservation by sharing with farmers and ranchers the cost of applying approved measures considered as needed in the public interest and which farmers generally would not perform adequately with their own resources.

Funds are distributed among the States and Territories on the basis of conservation needs. The rate of cost-sharing averages less than 50 percent of the cost. Cost-sharing may be in the form of a payment upon completion of the practice, or by furnishing materials or services. Conservation measures include primarily: (1) Establishment of permanent protective cover, (2) improvement and protection of established vegetative cover, (3) conservation and disposal of water, (4) establishment of temporary vegetative cover, and (5) temporary protection of soil from wind and water erosion.

A program is developed for each State and county by the State and county agricultural stabilization and conservation committees, and representatives of the Soil Conservation Service and of the Forest Service, in consultation with representatives of the land-grant colleges, Farmers' Home Administration, State soil conservation committees, local soil conservation districts, the Agricultural Extension Service, and other State or Federal agricultural agencies. The program is administered by farmer-elected county and community committeemen with responsibility assumed by the Soil Conservation Service and Forest Service for the technical phases of permanent-type practices in their respective fields.

Loans from the Commodity Credit Corporation to the Secretary of Agriculture are used to make advances for the purchase of conservation materials or services from January 1 to June 30 of each year; repayment with interest is made during the current fiscal year from balances available from prior years' appropriations or in the succeeding fiscal year from the new funds appropriated.

## SCHEDULE OF LOANS AND REPAYMENTS

	Fiscal year, 1952	Fiscal year, 1953	Fiscal year, 1954	Total
Received from loan from Commodity Credit Corporation.....	\$46,000,000.00	\$35,410,222.00	\$31,000,000.00	\$112,410,222.00
Interest.....	41,619.38	60,746.99		102,366.37
Total.....	46,041,619.38	35,470,968.99	31,000,000.00	112,512,588.37
Repaid or to be repaid from appropriation for fiscal years:				
1949.....	1,000,407.61			1,000,407.61
1950.....	1,041,211.77			1,041,211.77
1951.....	8,000,000.00	1,910,746.99		9,910,746.99
1952.....		19,150,000.00	5,742.00	19,155,742.00
1953.....	36,000,000.00			36,000,000.00
1954.....		14,410,222.00		14,410,222.00
1955.....			30,994,258.00	30,994,258.00
Total.....	46,041,619.38	35,470,968.99	31,000,000.00	112,512,588.37

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>AGRICULTURAL CONSERVATION PROGRAM SERVICE</b>			
Total number of permanent positions.....	73	61	56
Average number of all employees.....	62	54	54
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,632	\$5,773	\$5,894
Average grade.....	GS-8.2	GS-8.2	GS-8.1
<i>Direct Obligations</i>			
01 Personal services:			
Permanent positions.....	\$348,120	\$320,593	\$322,376
Regular pay in excess of 52-week base.....	1,294	1,197	1,200
Total personal services.....	349,414	321,790	323,576
02 Travel.....	17,949	25,000	24,000
03 Transportation of things.....	2,181	750	700
04 Communication services.....	3,973	5,300	5,200
06 Printing and reproduction.....	7,421	7,600	7,400
07 Other contractual services.....	12,462	10,116	4,000
Advanced to—			
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938,” pursuant to 7 U. S. C. 1392.....	4,550,201	4,167,924	3,637,324
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture,” pursuant to 7 U. S. C. 1388.....	21,843,446	21,282,250	18,378,200
08 Supplies and materials.....	2,423	2,400	2,300
09 Equipment.....	2,236	1,200	1,000
11 Grants, subsidies, and contributions.....	225,312,706	204,862,128	141,805,742
15 Taxes and assessments.....	242	320	300
Not distributed by objects: Repayment of loan from Commodity Credit Corporation.....	36,000,000	14,410,222	30,994,258
Total direct obligations.....	288,104,654	245,097,000	195,184,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
11 Grants, subsidies, and contributions.....	98,987	144,000	144,000
Obligations incurred.....	288,203,641	245,241,000	195,328,000
<b>ALLOTMENT TO FOREST SERVICE</b>			
Total number of permanent positions.....	24	21	21
Average number of all employees.....	24	21	21
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,675	\$4,756	\$4,756
Average grade.....	GS-6.8	GS-6.7	GS-6.7
01 Personal services:			
Permanent positions.....	\$107,822	\$95,749	\$95,749
Regular pay in excess of 52-week base.....	405	325	325
Total personal services.....	108,227	96,074	96,074
02 Travel.....	4,911	3,850	3,850
03 Transportation of things.....	662	500	500
04 Communication services.....	946	700	700
05 Rents and utility services.....	3,344	3,500	3,500
07 Other contractual services.....	428	250	250
Services performed by other agencies.....	69		
08 Supplies and materials.....	12,668	10,926	10,926
09 Equipment.....	304	200	200
15 Taxes and assessments.....	71		
Obligations incurred.....	131,660	116,000	116,000
<b>ALLOTMENT TO SOIL CONSERVATION SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	29	77	
Full-time equivalent of all other positions.....	18	37	
Average number of all employees.....	101	94	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,012	\$4,261	
Average grade.....	GS-5.4	GS-5.6	
Personal service obligations:			
Permanent positions.....	\$353,167	\$246,300	
Other positions.....	54,865	123,600	
Regular pay in excess of 52-week base.....	704		
Payment above basic rates.....	23,787	1,800	
Total personal service obligations.....	432,523	371,700	
<i>Direct Obligations</i>			
01 Personal services.....	432,523	371,200	
02 Travel.....	15,552	18,600	
03 Transportation of things.....	34	100	
04 Communication services.....	2,158	1,800	
05 Rents and utility services.....	856	600	



## AGRICULTURAL CONSERVATION PROGRAM SERVICE—Continued

### Agricultural Conservation Program, Agriculture—Continued

#### OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO SOIL CONSERVATION SERVICE—continued</b>			
<i>Direct Obligations—Continued</i>			
06 Printing and reproduction services.....	\$23	\$100	
07 Other contractual services.....	30,750	13,378	
08 Supplies and materials.....	16,528	25,300	
09 Equipment.....	1,296	900	
15 Taxes and assessments.....	1,130		
Total direct obligations.....	500,850	431,978	
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....		500	
Obligations incurred.....	500,850	432,478	
<b>SUMMARY</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	126	159	77
Full-time equivalent of all other positions.....	18	37	
Average number of all employees.....	187	169	75
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,076	\$4,925	\$5,568
Average grade.....	GS-7.2	GS-6.8	GS-7.7
Personal service obligations:			
Permanent positions.....	\$809,109	\$662,642	\$418,125
Other positions.....	54,865	123,000	
Regular pay in excess of 52-week base.....	2,403	1,522	1,525
Payments above basic rates.....	23,787	1,800	
Total personal service obligations.....	890,164	789,564	419,650
<i>Direct Obligations</i>			
01 Personal services.....	890,164	789,064	419,650
02 Travel.....	38,442	47,450	27,850
03 Transportation of things.....	2,877	1,350	1,200
04 Communication services.....	7,077	7,800	5,900
05 Rents and utility services.....	4,200	4,100	3,500
06 Printing and reproduction services.....	7,444	7,700	7,400
07 Other contractual services:			
Advanced to—			
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938,” pursuant to 7 U. S. C. 1392.....	4,550,201	4,167,924	3,637,324
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture,” pursuant to 7 U. S. C. 1388.....	21,843,446	21,282,250	18,378,200
Other.....	43,640	23,744	4,250
Services performed by other agencies.....			
08 Supplies and materials.....	31,619	38,626	13,226
09 Equipment.....	3,836	2,300	1,200
11 Grants, subsidies, and contributions.....	225,312,706	204,862,128	141,805,742
15 Taxes and assessments.....	1,443	320	300
Not distributed by objects: Repayment of loan from Commodity Credit Corporation.....	36,000,000	14,410,222	30,994,258
Total direct obligations.....	288,737,164	245,644,978	195,300,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....		500	
11 Grants, subsidies, and contributions.....	98,987	144,000	144,000
Total obligations payable out of reimbursements from other accounts.....	98,987	144,500	144,000
Obligations incurred.....	288,836,151	245,789,478	195,444,000

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$77,268,409	\$49,888,340	\$39,233,318
Obligations incurred during the year.....	288,836,151	245,789,478	195,444,000
Deduct:	366,104,560	295,677,818	234,677,318
Adjustment in obligations of prior years.....	7,089,671		
Reimbursements.....	401,063	444,500	444,000
Net loan from Commodity Credit Corporation.....	35,410,222	31,000,000	

#### ANALYSIS OF EXPENDITURES—continued

	1953 actual	1954 estimate	1955 estimate
Deduct—Continued			
Obligated balance carried to certified claims account.....	\$580,423		
Unliquidated obligations, end of year.....	49,888,340	\$39,233,318	\$38,233,318
Total expenditures.....	272,734,841	225,000,000	196,000,000
Expenditures are distributed as follows:			
Out of current authorizations.....	272,734,841	180,000,000	161,000,000
Out of prior authorizations.....		45,000,000	35,000,000

## AGRICULTURAL MARKETING SERVICE

### MARKETING RESEARCH AND SERVICE

#### Marketing Research and Service, Agricultural Marketing Service

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627) and other laws, including the administration of marketing regulatory acts connected therewith:

Marketing research and agricultural estimates: For research and development relating to agricultural marketing and distribution, for analyses relating to farm prices, income and population, and demand for farm products, and for crop and livestock estimates; \$10,215,200: Provided, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report stating the intention of farmers as to the acreage to be planted in cotton, or, for estimates of apple production for other than the commercial crop.

Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States; \$11,243,300, including not to exceed \$25,000 for employment at rates not to exceed \$100 per diem, pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to 201 (d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U. S. C. 1291) and section 203 (j) of the Agricultural Marketing Act of 1946. (5 U. S. C. 511–512, 541a, 556b, 563–564, 575; 7 U. S. C. 51–65, 71–87, 91–99, 181–229, 241–273, 411, 411a, 411b, 414a, 415b–415e, 423, 440, 471–476, 501–508, 511–511q, 516, 581–589, 951–957, 1551–1610; 15 U. S. C. 251–257i; 21 U. S. C. 94a; 26 U. S. C. 1920–1935; 31 U. S. C. 725d; Department of Agriculture Appropriation Act, 1954.)

Estimate 1955, \* \$21,458,500

\* Estimate is for activities previously carried under appropriations as follows:  
 “Agricultural Marketing Act, Agriculture”..... \$4,889,375  
 “Salaries and expenses, Bureau of Agricultural Economics”..... 4,658,000  
 “Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration”..... 162,960  
 “Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration”..... 467,640  
 “Salaries and expenses, marketing services, Production and Marketing Administration”..... 11,280,525  
 The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

#### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....			\$21,458,500
Reimbursements from non-Federal sources.....			197,800
Reimbursements from other accounts:			
Commodity Credit Corporation.....			1,523,600
Other.....			356,695
Obligations incurred.....			23,536,595
Comparative transfer from—			
“Agricultural Marketing Act, Agriculture”:			
Direct appropriation.....	\$3,253,521	\$3,510,475	
Reimbursements from non-Federal sources.....	178	700	
Reimbursements from other accounts.....	49,395	70,500	
“Salaries and expenses, Bureau of Agricultural Economics”:			
Direct appropriation.....	4,109,492	4,511,000	
Reimbursements from non-Federal sources.....	4,668	7,000	
Reimbursements from other accounts.....	5,760	9,500	
“Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration”:			
Direct appropriation.....	131,707	162,963	
Reimbursements from non-Federal sources.....	125		



## AMOUNTS AVAILABLE FOR OBLIGATION—continued

	1953 actual	1954 estimate	1955 estimate
Comparative transfer from—Continued			
“Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration”:			
Direct appropriation.....	\$454,451	\$467,640	-----
Reimbursements from non-Federal sources.....	-----	500	-----
Reimbursements from other accounts.....	103	100	-----
“Salaries and expenses, marketing services, Production and Marketing Administration”:			
Direct appropriation.....	10,747,590	11,813,175	-----
Reimbursements from non-Federal sources.....	958,764	190,800	-----
Reimbursements from other accounts:			
Commodity Credit Corporation.....	1,155,000	1,418,900	-----
Other.....	407,057	228,100	-----
Total obligations.....	21,277,811	22,391,353	\$23,536,595

NOTE.—Reimbursements from non-Federal sources above are from cooperating States, county, local, and private agricultural marketing agencies (5 U. S. C. 563, 564); from States, municipalities, persons, or licensed tobacco inspectors for services rendered (7 U. S. C. 511e); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Marketing research and agricultural estimates:			
(a) Marketing research.....	\$3,759,300	\$4,000,000	\$5,100,000
(b) Economic and statistical analysis.....	866,007	860,000	1,027,000
(c) Crop and livestock estimates.....	3,341,256	3,842,200	4,088,000
Subtotal.....	7,966,563	8,702,200	10,215,000
2. Marketing services:			
(a) Market news service.....	2,755,751	3,421,500	3,516,000
(b) Inspection, grading and classing, and standardization.....	6,176,174	6,552,803	6,002,000
(c) Freight rate services.....	174,109	167,300	161,000
(d) Regulatory activities.....	1,575,564	1,571,450	1,514,500
(e) Administration and coordination of State payments.....	48,600	50,000	50,000
Subtotal.....	10,730,198	11,763,053	11,243,500
3. Obligations under reimbursements from non-Federal sources.....	963,735	199,000	197,800
Total direct obligations.....	19,660,496	20,664,253	21,656,300
<i>Obligations Payable Out of Reimbursements From Commodity Credit Corporation</i>			
2. Marketing services:			
(b) Inspection, grading and classing, and standardization.....	1,155,000	1,418,900	1,523,600
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Marketing research and agricultural estimates:			
(a) Marketing research.....	51,131	72,600	98,750
(b) Economic and statistical analysis.....	1,920	2,500	2,500
(c) Crop and livestock estimates.....	2,207	5,000	5,000
Subtotal.....	55,258	80,100	106,250
2. Marketing services:			
(a) Market news service.....	650	33,250	64,750
(b) Inspection, grading and classing, and standardization.....	406,407	194,850	185,695
Subtotal.....	407,057	228,100	250,445
Total obligations payable out of reimbursements from other accounts.....	462,315	308,200	356,695
Total obligations.....	21,277,811	22,391,353	23,536,595

## PROGRAM AND PERFORMANCE

The Agricultural Marketing Service, through this appropriation, engages in research and service to improve and develop the marketing and distribution of agricultural commodities.

A net increase of \$993,247 is proposed for 1955, composed of (a) an increase of \$1,512,800 to conserve food and obtain less expensive marketing through such means as reducing food waste and spoilage in marketing channels,

saving manpower in handling the products, and finding less costly transportation, storage, and distribution methods; and to assist in developing new or expanded market outlets for agricultural commodities, particularly those that are in surplus supply, and (b) a net decrease of \$519,553 for inspection, grading, classing, and standardization work, and in other service and regulatory activities. Fees for inspection and grading will be increased to the extent possible to make these services more nearly self-supporting.

1. *Marketing research and agricultural estimates*—(a) *Marketing research*.—This is aimed at maintaining and improving quality, reducing costs, and expanding outlets in the marketing of agricultural products. The research, involving cooperation with other public and private agencies, includes studies of (a) transportation rates and costs and marketing facilities, equipment, and handling methods; (b) the biological, physical, and economic aspects of measuring, maintaining, and improving product quality; (c) trade in specific agricultural commodities including measurements of costs and margins, market organization and practices, and improvement in market information, and (d) the uses and market acceptance of new and established agricultural products, techniques for analyzing consumer market behavior, market potentials, and methods of merchandising.

(b) *Economic and statistical analysis*.—This covers analysis of the agricultural economic situation and outlook including factors affecting price, supply and consumption of farm products; farm income including the establishment of the relationship between farm prices or income and parity standards; and farm population and work force trends including changes in numbers and composition, and comparisons of rural and urban living standards.

(c) *Crop and livestock estimates*.—Basic current data on approximately 150 crop and livestock products, prices received and paid by farmers, and farm wage and employment data are gathered and issued in more than 500 reports annually. These are the official estimates for use by farmers, processors, and handlers of agricultural commodities and other Government agencies in connection with adjustment and marketing activities, allocations and price supports and for use in determining parity prices.

2. *Marketing services*—(a) *Market news service*.—Timely and reliable market information is provided farmers, processors, handlers, and consumers of farm commodities.

(b) *Inspection, grading, classing, and standardization*.—Farmers are assisted in obtaining returns for their products commensurate with quality by providing United States quality standards; an impartial inspection, classing, and grading service; and by broadening the general knowledge, acceptance and use of standards through demonstrations, training courses, and other means. Approximately 76 percent of the total cost of this work was covered by fees or other revenue in 1953.

(c) *Freight rate services*.—Producers are assisted in obtaining equitable transportation rates and services through participation by the Department in their behalf in formal cases before the Interstate Commerce Commission and other regulatory bodies, and through informal negotiations with carriers.

(d) *Regulatory activities*.—These include the administration of laws designed to protect farmers and others from financial loss or personal injury resulting from deceptive, careless, and fraudulent marketing practices. The laws are administered mainly by licensing or registration, supervision of operations, collection and testing of samples, and handling of violations.



**AGRICULTURAL MARKETING SERVICE—Con.****MARKETING RESEARCH AND SERVICE—continued****Marketing Research and Service, Agricultural Marketing Service—Continued**

(e) *Administration and coordination of State payments.*—Provision is made for administration, planning and coordination of matched fund projects with State departments of agriculture and bureaus of markets.

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	4,611	4,657	4,832
Full-time equivalent of all other positions.....	75	77	109
Average number of all employees.....	3,578	3,505	3,630
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,669	\$4,694	\$4,651
Average grade.....	GS-6.6	GS-6.5	GS-6.5
Crafts, protective, and custodial grades:			
Average salary.....	\$2,522	\$2,517	\$2,518
Average grade.....	CPC-2.2	CPC-2.2	CPC-2.2
Personal service obligations:			
Permanent positions.....	\$16,692,853	\$16,545,994	\$16,926,845
Other positions.....	141,680	149,936	204,325
Regular pay in excess of 52-week base.....	59,957	58,552	60,745
Payment above basic rates.....	43,346	34,074	33,830
Total personal service obligations.....	16,937,836	16,788,556	17,225,745
<i>Direct Obligations</i>			
01 Personal services.....	15,641,527	15,475,556	15,815,470
02 Travel.....	961,710	898,382	937,200
03 Transportation of things.....	180,423	170,250	168,300
04 Communication services.....	443,194	1,758,150	1,946,200
05 Rents and utility services.....	229,128	214,800	220,000
06 Printing and reproduction.....	439,773	417,100	454,400
07 Other contractual services.....	833,517	699,740	995,100
Services performed by other agencies.....	308,038	380,100	403,000
08 Supplies and materials.....	421,700	435,860	452,600
09 Equipment.....	175,499	177,460	221,700
13 Refunds, awards, and indemnities.....	972	780	800
15 Taxes and assessments.....	25,285	36,345	40,900
Subtotal.....	19,660,766	20,664,523	21,656,570
Deduct charges for quarters and subsistence.....	270	270	270
Total direct obligations.....	19,660,496	20,664,253	21,656,300
<i>Obligations Payable Out of Reimbursements From Commodity Credit Corporation</i>			
01 Personal services.....	930,007	1,096,300	1,168,700
02 Travel.....	91,435	99,100	104,900
03 Transportation of things.....	34,933	40,700	44,500
04 Communication services.....	11,350	71,600	84,300
05 Rents and utility services.....	21,498	29,600	32,300
06 Printing and reproduction.....	10,314	13,100	14,300
07 Other contractual services.....	9,361	6,400	6,900
08 Supplies and materials.....	28,540	37,900	41,300
09 Equipment.....	9,387	20,900	22,800
15 Taxes and assessments.....	8,170	3,300	3,600
Total obligations payable out of reimbursements from Commodity Credit Corporation.....	1,155,000	1,418,900	1,523,600
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	366,302	216,700	241,575
02 Travel.....	38,047	17,300	17,150
03 Transportation of things.....	4,437	6,200	4,660
04 Communication services.....	12,248	26,700	52,210
05 Rents and utility services.....	3,264	4,200	3,100
06 Printing and reproduction.....	13,119	2,200	2,300
07 Other contractual services.....	14,006	11,900	19,420
08 Supplies and materials.....	8,791	17,100	13,650
09 Equipment.....	802	5,400	2,100
15 Taxes and assessments.....	1,299	500	530
Total obligations payable out of reimbursements from other accounts.....	462,315	308,200	356,695
Total obligations.....	21,277,811	22,391,353	23,526,595

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Obligations incurred during the year.....			\$23,536,595
Deduct:			
Reimbursements.....			2,078,095
Unliquidated obligations, end of year.....			2,658,500
Total expenditures (out of current authorizations).....			18,800,000

**PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS****Payments to States, Territories, and Possessions, Agricultural Marketing Service**

For payments to departments of agriculture, bureaus and departments of markets and similar agencies for marketing activities under section 204 (b) of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623 (b)), \$900,000.

Estimate 1955, \* \$900,000

\* Estimate is for activities previously carried under "Agricultural Marketing Act, Agriculture." The amounts obligated in 1953 and 1954 are shown in the schedules as comparative transfers.

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate (obligations incurred).....			\$900,000
Comparative transfer from "Agricultural Marketing Act, Agriculture".....	\$542,999	\$573,000	
Total obligations.....	542,999	573,000	900,000

**OBLIGATIONS BY ACTIVITIES**

Payments to States for marketing service work under authority of sec. 204 (b) of the Agricultural Marketing Act of 1946—1953, \$542,999; 1954, \$573,000; 1955, \$900,000.

**PROGRAM AND PERFORMANCE**

Payments are made to States and Territories on a matched fund basis to conduct projects designed to maintain or improve the quality of agricultural products and increase sales; to assist marketing agencies in reducing operating costs; for the collection and dissemination of special, local market information; and for conducting experimental market news projects. In 1953, 32 States, Hawaii, Puerto Rico, and Alaska conducted 89 cooperative marketing service projects under this program.

**OBLIGATIONS BY OBJECTS**

11 Grants, subsidies, and contributions—1953, \$542,999; 1954, \$573,000; 1955, \$900,000.

**ANALYSIS OF EXPENDITURES**

Obligations incurred during the year (total expenditures out of current authorizations)—1955, \$900,000.

**REPAYMENT TO COMMODITY CREDIT CORPORATION****Repayment to Commodity Credit Corporation, Agricultural Marketing Service**

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing services", fiscal year [1952] 1953 (including interest thereon through June 30, [1953] 1954), pursuant to authority contained under the head "Marketing services" in the Department of Agriculture Appropriation Act, 1952 (7 U. S. C. 414a), for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U. S. C. 473a, 511d), [\$768,505] \$441,655. (Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$768,505

Estimate 1955, \$441,655

**AMOUNTS AVAILABLE FOR OBLIGATION**

Appropriation or estimate (obligations incurred)—1954, \$768,505; 1955, \$441,655.

**OBLIGATIONS BY ACTIVITIES**

For reimbursement to Commodity Credit Corporation for costs incurred in prior fiscal years for inspecting and grading tobacco and classing cotton—1954, \$768,505; 1955, \$441,655.

**PROGRAM AND PERFORMANCE**

The Department of Agriculture Appropriation Act for 1952 authorized advances from the Commodity Credit Corporation to appropriations available for classing and grading of agricultural commodities without charge to producers (7 U. S. C. 414a). Such advances must be repaid from subsequent appropriations. This appropriation request is for repaying advances received in the fiscal year 1953.

## OBLIGATIONS BY OBJECTS

- 11 Grants, subsidies, and contributions: Repayment to Commodity Credit Corporation—1954, \$768,505; 1955, \$441,655.

## ANALYSIS OF EXPENDITURES

Obligations incurred during the year (total expenditures out of current authorizations)—1954, \$768,505; 1955, \$441,655.

## SCHOOL LUNCH PROGRAM

## School Lunch Program, Agricultural Marketing Service

[To enable the Secretary] For necessary expenses to carry out the provisions of the National School Lunch Act (42 U. S. C. 1751-1760), [\$83,365,000] \$68,000,000: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act. (66 Stat. 591; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$83,365,000 Estimate 1955, \$68,000,000  
Appropriated (adjusted) 1954, \$83,236,197

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$83,364,269	\$83,365,000	\$68,000,000
Transferred to "Agricultural adjustment programs, Commodity Stabilization Service," pursuant to Public Law 286.....		-128,803	
Adjusted appropriation or estimate.....	83,364,269	83,236,197	68,000,000
Unobligated balance, estimated savings.....	-150,972		
Obligations incurred.....	83,213,297	83,236,197	68,000,000

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
1. Food assistance:			
(a) Cash payments.....	\$67,178,839	\$67,010,000	\$67,010,000
(b) Commodity procurement (see. 6).....	14,744,071	15,000,000	
2. Operating expenses.....	1,290,387	1,226,197	990,000
Obligations incurred.....	83,213,297	83,236,197	68,000,000

## PROGRAM AND PERFORMANCE

Assistance, in the form of both funds and food, is provided to States and Territories for use in serving lunches to school children. Each State's portion of the total funds available is determined by means of a statutory formula which takes into account the number of school-age children in the State and the relationship between the per capita income of the State and the average United States per capita income.

The program is operated according to the terms of an agreement entered into by the State educational agency (which administers the program within the State) and the Department of Agriculture. Schools make application to the State agency and, if accepted for participation in the program, are reimbursed for a part of the food cost of each meal served.

In addition to the cash assistance, part of the school lunch appropriation has been used by the Department of Agriculture to purchase food to be distributed to schools. This program also provides the largest single outlet for surplus commodities purchased under authority of section 32 of the Agricultural Adjustment Act, as amended, and it is contemplated that increasing amounts of such commodities will be available to the school lunch program in 1955.

Continuing availability of substantial quantities of various desirable surplus foods should permit a total Federal contribution to the program in excess of that for 1954, despite a decrease in appropriated funds. Total cash payments to the States will remain unchanged from 1954.

During 1953 about 1,584,000,000 meals were served to almost 9,800,000 children, utilizing over \$330,000,000

worth of agricultural commodities. More than 15 percent of this amount represented stocks acquired under the surplus-removal and price-support programs of the Department. The statutory requirement that States contribute \$1.50 for each Federal dollar contributed was more than adequately met in 1953.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>AGRICULTURAL MARKETING SERVICE</b>			
Total number of permanent positions.....	162	154	154
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	159	156	157
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,339	\$5,352	\$5,377
Average grade.....	GS-7.8	GS-7.8	GS-7.9
01 Personal services:			
Permanent positions.....	\$849,607	\$822,397	\$829,318
Other positions.....	2,360	900	
Regular pay in excess of 52-week base.....	3,203	2,791	3,142
Payment above basic rates.....	34	1,438	3,040
Total personal services.....	855,204	827,526	835,500
02 Travel.....	95,189	96,000	94,000
03 Transportation of things.....	1,903	2,000	1,000
04 Communication services.....	17,323	20,000	18,000
05 Rents and utility services.....	18,722	19,500	15,500
06 Printing and reproduction.....	8,463	10,000	8,000
07 Other contractual services.....	2,011	2,000	1,500
Services performed by other agencies.....	253,970	208,519	
08 Supplies and materials.....	5,779	8,000	5,000
09 Equipment.....	779	1,000	500
11 Grants, subsidies, and contributions:			
(a) Cash payments.....	67,178,839	67,010,000	67,010,000
(b) Commodity procurement (see. 6).....	14,744,071	15,000,000	
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	213	317	
15 Taxes and assessments.....	831	1,335	1,000
Obligations incurred.....	83,183,297	83,206,197	67,990,000
<b>ALLOTMENT TO AGRICULTURAL RESEARCH SERVICE</b>			
Total number of permanent positions.....	8	7	2
Average number of all employees.....	6	5	2
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,536	\$4,703	\$5,998
Average grade.....	GS-6.8	GS-7.2	GS-9.5
Crafts, protective, and custodial grades:			
Average salary.....	\$2,840	\$2,840	
Average grade.....	CPC-2.0	CPC-2.0	
01 Personal services:			
Permanent positions.....	\$28,283	\$27,980	\$10,000
Regular pay in excess of 52-week base.....	61	70	
Total personal services.....	28,344	28,050	10,000
06 Printing and reproduction.....	1		
07 Other contractual services:			
Services performed by other agencies.....	1,600	1,700	
08 Supplies and materials.....	55	200	
15 Taxes and assessments.....		50	
Obligations incurred.....	30,000	30,000	10,000
<b>SUMMARY</b>			
Total number of permanent positions.....	170	161	156
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	165	161	158
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,275	\$5,294	\$5,385
Average grade.....	GS-7.8	GS-7.8	GS-7.9
Crafts, protective, and custodial grades:			
Average salary.....	\$2,840	\$2,840	
Average grade.....	CPC-2.0	CPC-2.0	
01 Personal services:			
Permanent positions.....	\$877,890	\$850,377	\$839,318
Other positions.....	2,360	900	
Regular pay in excess of 52-week base.....	3,264	2,861	3,142
Payment above basic rates.....	34	1,438	3,040
Total personal services.....	883,548	855,576	845,500
02 Travel.....	95,189	96,000	94,000
03 Transportation of things.....	1,903	2,000	1,000
04 Communication services.....	17,323	20,000	18,000
05 Rents and utility services.....	18,722	19,500	15,500
06 Printing and reproduction.....	8,464	10,000	8,000
07 Other contractual services.....	2,011	2,000	1,500
Services performed by other agencies.....	255,570	210,219	



**AGRICULTURAL MARKETING SERVICE—Con.****SCHOOL LUNCH PROGRAM—continued****School Lunch Program, Agricultural Marketing Service—Continued****OBLIGATIONS BY OBJECTS—continued**

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY—continued</b>			
08 Supplies and materials.....	\$5,834	\$8,200	\$5,000
09 Equipment.....	779	1,000	500
11 Grants, subsidies, and contributions:			
Cash payments.....	67,178,839	67,010,000	67,010,000
Commodity procurement (sec. 6).....	14,744,071	15,000,000	
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	213	317	
15 Taxes and assessments.....	831	1,385	1,000
Obligations incurred.....	83,213,297	83,236,197	68,000,000

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$929,617	\$1,195,775	\$1,206,472
Adjustment in obligations of prior years.....	166,166		
Obligations incurred during the year.....	83,213,297	83,236,197	68,000,000
	84,309,080	84,431,972	69,206,472
Deduct:			
Obligated balance carried to certified claims account.....	278,291		
Unliquidated obligations, end of year.....	1,195,775	1,206,472	1,206,472
Total expenditures.....	82,835,014	83,225,500	68,000,000
Expenditures are distributed as follows:			
Out of current authorizations.....	82,185,456	82,559,689	67,456,000
Out of prior authorizations.....	649,558	665,811	544,000

**MARKETING SERVICES****Salaries and Expenses, Marketing Services, Production and Marketing Administration**

For expenses necessary for acquiring and diffusing market information on agricultural commodities, food products and by-products, the standardization, classification, grading, handling, storage, and marketing thereof, including the demonstration and promotion of the use of uniform standards of classification of American farm and food products throughout the world, the analysis of cotton fiber, the classing of cotton for producer members of cotton quality improvement groups, the establishment of classification standards and maintenance of an inspection service for tobacco (7 U. S. C. 471-476, 501-508, 511-511q); for investigating and certifying, in one or more jurisdictions, to shippers and other interested parties the class, quality, and condition of any agricultural commodity or food product, whether raw or processed, and any product containing an agricultural commodity or derivative thereof when offered for interstate shipment or when received at such important central markets as the Secretary may from time to time designate, or at points which may be conveniently reached therefrom under such rules and regulations as he may prescribe, including the collection of such fees as are reasonable and as nearly as may cover the cost of the service rendered; for performing the duties imposed upon the Secretary by chapter 14 of the Internal Revenue Code relating to cotton futures (26 U. S. C. 1920-1935); and for carrying into effect the United States Cotton Standards Act (7 U. S. C. 51-65), the United States Grain Standards Act (7 U. S. C. 71-87), the Naval Stores Act (7 U. S. C. 91-99), section 201 (a) to 201 (d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U. S. C. 1291), including not to exceed \$25,000 for employment at rates not to exceed \$100 per diem, pursuant to the second sentence of section 706 (a), of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), the Acts to provide standards for containers for fruits and vegetables (15 U. S. C. 251-257i), the United States Warehouse Act (7 U. S. C. 241-273), the Federal Seed Act (7 U. S. C. 1551-

1610), the Packers and Stockyards Act (7 U. S. C. 181-229), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U. S. C. 135-135k), and the Tobacco Plant and Seed Exportation Act (7 U. S. C. 516), \$11,496,000.] (5 U. S. C. 511-512, 541a, 563, 564, 575; 7 U. S. C. 414a, 415b-415e, 423, 440, 581-589; 21 U. S. C. 94a; 31 U. S. C. 725d; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, **\$11,496,000**Appropriated (adjusted) 1954, **\$12,451,000**

NOTE.—Estimate of \$11,863,000 for activities previously carried under this title has been transferred in the estimates to appropriations, as follows:

“Salaries and expenses, Agricultural Research Service”..... \$582,475  
 “Marketing research and service, Agricultural Marketing Service”..... 11,280,525  
 The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$11,464,525	\$11,496,000	
Transferred from “Removal of surplus agricultural commodities,” pursuant to Public Law 286.....		955,000	
Adjusted appropriation or estimate.....	11,464,525	12,451,000	
Reimbursements from non-Federal sources.....	958,764	190,800	
Reimbursements from other accounts:			
Commodity Credit Corporation.....	1,155,000	1,418,900	
Other.....	411,714	229,500	
Total available for obligation.....	13,990,003	14,290,200	
Unobligated balance, estimated savings.....	-100,116		
Obligations incurred.....	13,889,887	14,290,200	
Comparative transfer from “Salaries and expenses, Office of Administrator, Agricultural Research Administration”.....	9,600		
Comparative transfer to—			
“Salaries and expenses, Agricultural Research Service”:			
Direct appropriation.....	-626,419	-637,825	
Reimbursements from other accounts.....	-4,657	-1,400	
“Marketing research and service, Agricultural Marketing Service”:			
Direct appropriation.....	-10,747,590	-11,813,175	
Reimbursements from non-Federal sources.....	-958,764	-190,800	
Reimbursements from other accounts:			
Commodity Credit Corporation.....	-1,155,000	-1,418,900	
Other.....	-407,057	-228,100	
Total obligations.....			

NOTE.—Reimbursements from non-Federal sources above are from cooperating State, county, local, and private agricultural marketing agencies (5 U. S. C. 563, 564); from States, municipalities, persons, or licensed tobacco inspectors for services rendered (7 U. S. C. 511e); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$928,643	\$623,651	\$774,651
Adjustment in obligations of prior years.....	4,309		
Obligations incurred during the year.....	13,889,887	14,290,200	
	14,822,839	14,913,851	774,651
Deduct:			
Reimbursements.....	2,525,478	1,839,200	
Obligated balance carried to certified claims account.....	11,438		
Unliquidated obligations, end of year.....	623,651	774,651	4,651
Total expenditures.....	11,662,272	12,300,000	770,000
Expenditures are distributed as follows:			
Out of current authorizations.....	10,767,783	11,700,000	
Out of prior authorizations.....	894,489	600,000	770,000

**Allotments and Allocations Received From Other Appropriations Accounts**

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.”  
 “Salaries and expenses, defense production activities, Agriculture.”  
 “Consolidated working fund, Agriculture.”  
 “Mutual security, funds appropriated to the President.”  
 “Procurement and production, Army.”  
 “Research and development, Army.”

## FOREIGN AGRICULTURAL SERVICE

## Salaries and Expenses, Foreign Agricultural Service

For necessary expenses for the Foreign Agricultural Service and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, **\$673,000** \$965,000. (5 U. S. C. 511-512; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, **\$673,000** Estimate 1955, **\$965,000**  
Appropriated (adjusted) 1954, **\$703,000**

\* Includes \$200,000 for activities previously carried under "Agricultural Marketing Act, Agriculture." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate	\$613, 124	\$673, 000	\$965, 000
Transferred from "Salaries and expenses, Farmers' Home Administration," pursuant to Public Law 286		30, 000	
Adjusted appropriation or estimate	613, 124	703, 000	965, 000
Reimbursements from other accounts	108, 700	107, 600	107, 600
Total available for obligation	721, 824	810, 600	1, 072, 600
Unobligated balance, estimated savings	-11, 618		
Obligations incurred	710, 206	810, 600	1, 072, 600
Comparative transfer from "Agricultural Marketing Act, Agriculture"	145, 302	137, 900	
Total obligations	855, 508	948, 500	1, 072, 600

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. International agricultural trade	\$358, 090	\$443, 120	\$466, 120
2. Foreign production and consumption of agricultural products	388, 718	397, 780	498, 880
Total direct obligations	746, 808	840, 900	965, 000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
3. Other services performed	108, 700	107, 600	107, 600
Total obligations	855, 508	948, 500	1, 072, 600

## PROGRAM AND PERFORMANCE

The Foreign Agricultural Service administers programs and policies relating to foreign agriculture and provides information and assistance to agencies of the United States Government, farm and industry groups, and the general public on agricultural conditions and trends abroad, and their effect on American agriculture and the economy of the United States. The Service collects, interprets, and distributes economic information on foreign production and consumption of farm products, and on policy matters affecting trends in production and consumption.

Increases are proposed to (1) determine the extent to which production levels of certain American commodities should be adjusted to meet foreign demands and determine the magnitude of competition in agricultural products; and (2) provide current data on shifts in United States agricultural trade on a geographic basis, including analysis of the factors responsible for such shifts.

1. *International agricultural trade.*—Analyses are made on the foreign agricultural situation, and foreign agricultural and trade policies as they affect trade in American products. Supervision and direction are provided to a

worldwide agricultural attaché service, and related marketing and trade-reporting activities. Department activities with respect to government and private international organizations are directed. Department programs are developed for use in international trade and tariff conferences, and liaison with foreign embassies and legations is maintained.

2. *Foreign production and consumption of agricultural products.*—Analyses and interpretations of commodity and trade information obtained through agricultural attachés and other foreign sources are prepared for dissemination to interested trade and agricultural-industry groups in the United States. Basic studies are conducted on the competition of foreign production with American agricultural products in both foreign and domestic markets. Departmental interests are represented at international commodity conferences, and on foreign commodity matters at national conferences.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions	167	148	165
Full-time equivalent of all other positions	1	1	1
Average number of all employees	133	137	156
Average salaries and grades:			
General schedule grades:			
Average salary	\$5, 069	\$5, 808	\$5, 710
Average grade	GS-7.0	GS-8.4	GS-8.3
Personal service obligations:			
Permanent positions	\$705, 195	\$767, 466	\$881, 885
Other positions	10, 463	4, 573	4, 400
Regular pay in excess of 52-week base	2, 429	2, 373	3, 100
Payment above basic rates	7, 511	1, 823	
Other payments for personal services	19, 750	4, 865	
Total personal service obligations	745, 348	781, 100	889, 385
<i>Direct Obligations</i>			
01 Personal services	638, 151	680, 100	786, 385
02 Travel	26, 234	36, 500	44, 100
03 Transportation of things	1, 810	2, 500	2, 500
04 Communication services	10, 275	41, 800	44, 800
06 Printing and reproduction	56, 171	61, 500	67, 600
07 Other contractual services	1, 211	2, 000	1, 200
Services performed by other agencies	6, 028	6, 300	6, 700
08 Supplies and materials	4, 705	7, 100	8, 115
09 Equipment	1, 558	1, 900	2, 300
15 Taxes and assessments	665	1, 200	1, 300
Total direct obligations	746, 808	840, 900	965, 000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services	107, 197	101, 000	103, 000
06 Printing and reproduction	1, 053	2, 000	2, 000
07 Other contractual services	65	200	200
Services performed by other agencies	41	2, 400	800
08 Supplies and materials	186	900	900
09 Equipment		900	400
15 Taxes and assessments	158	200	300
Total obligations payable out of reimbursements from other accounts	108, 700	107, 600	107, 600
Total obligations	855, 508	948, 500	1, 072, 600

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$25, 483	\$49, 793	\$63, 543
Obligations incurred during the year	710, 206	810, 600	1, 072, 600
	735, 689	860, 393	1, 136, 143
Deduct:			
Adjustment in obligations of prior years	5, 461		
Reimbursements	108, 700	107, 600	107, 600



## FOREIGN AGRICULTURAL SERVICE—Continued

## Salaries and Expenses, Foreign Agricultural Service—Continued

## ANALYSIS OF EXPENDITURES—continued

	1953 actual	1954 estimate	1955 estimate
Deduct—Continued			
Obligated balance carried to certified claims account.....	\$877		
Unliquidated obligations, end of year.....	49,793	\$63,543	\$96,543
Total expenditures.....	570,858	689,250	932,000
Expenditures are distributed as follows:			
Out of current authorizations.....	556,836	649,500	880,000
Out of prior authorizations.....	14,022	39,750	52,000

## Miscellaneous

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

- “Removal of surplus agricultural commodities.”
- “Salaries and expenses, defense production activities, Agriculture.”
- “Consolidated working fund, Agriculture.”
- “Research and development, Army.”
- “Mutual security, funds appropriated to the President.”

## COMMODITY EXCHANGE AUTHORITY

## Salaries and Expenses, Commodity Exchange Authority

【To enable the Secretary】 For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U. S. C. 1-17a), 【\$700,000】 \$673,000. (Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$700,000

Estimate 1955, \$673,000

Appropriated (adjusted) 1954, \$692,273

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$725,000	\$700,000	\$673,000
Transferred to “Salaries and expenses, Extension Service,” pursuant to Public Law 286.....		-7,727	
Adjusted appropriation or estimate.....	725,000	692,273	673,000
Reimbursements from other accounts.....	12,623		
Total available for obligation.....	727,623	692,273	673,000
Unobligated balance, estimated savings.....	-27,548		
Obligations incurred.....	700,075	692,273	673,000

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Licensing.....	\$45,085	\$44,700	\$44,200
2. Supervision of futures trading.....	383,593	379,673	365,500
3. Audits.....	142,114	143,600	140,550
4. Investigations.....	101,411	119,200	117,650
5. Establishment and review of speculative limits.....	25,249	5,100	5,100
Total direct obligations.....	697,452	692,273	673,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
3. Audits.....	1,919		
4. Investigations.....	704		
Total obligations payable out of reimbursements from other accounts.....	2,623		
Obligations incurred.....	700,075	692,273	673,000

## PROGRAM AND PERFORMANCE

Enforcement of the Commodity Exchange Act requires supervision over futures trading in 20 commodities on 17 exchanges to prevent price manipulation and corners and insure honesty and fair dealing.

1. *Licensing*.—Commission merchants and floor brokers are registered annually. Exchange rules and regulations are reviewed to insure that legal requirements are met.

2. *Supervision of futures trading*.—This embraces (a) study, analysis, and publication of market information and other data; (b) enforcement of speculative limits; and (c) cooperative activities with control committees of contract markets.

3. *Audits*.—Misuse of customers' funds is prevented by (a) audit and examination of books of futures commission merchants; and (b) analysis of brokers' and traders' books and financial statements.

4. *Investigations*.—Violations of the law and regulations are investigated, and trade practice surveys are made to discover violations and compile legal evidence. The Authority also prepares and presents evidence of violations in administrative hearings and judicial proceedings.

5. *Establishment and review of speculative limits*.—Established speculative limits require continuing review to determine whether market conditions necessitate changes. During 1955, to the extent possible, preliminary work in preparing basic data on trading operations and prices in wool tops, soybean meal, and cottonseed meal will be assembled and analyzed as the first step looking to the establishment of limits on those commodities.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	138	130	126
Average number of all employees.....	125	123	119
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,034	\$5,030	\$5,080
Average grade.....	GS-7.0	GS-6.9	GS-6.9
Personal service obligations:			
Permanent positions.....	\$629,162	\$616,340	\$601,400
Other positions.....	2,768	1,000	
Regular pay in excess of 52-week base.....	2,349	2,360	2,300
Payment above basic rates.....	487	300	300
Total personal service obligations.....	634,766	620,000	604,000
<i>Direct Obligations</i>			
01 Personal services.....	632,907	620,000	604,000
02 Travel.....	9,526	9,800	9,000
03 Transportation of things.....	1,478	1,000	1,000
04 Communication services.....	11,962	19,273	19,700
05 Rents and utility services.....	16,400	15,300	15,300
06 Printing and reproduction.....	13,206	13,500	12,500
07 Other contractual services.....	3,339	4,200	3,700
Services performed by other agencies.....	760	1,000	800
08 Supplies and materials.....	4,821	5,200	5,000
09 Equipment.....	1,928	1,600	500
15 Taxes and assessments.....	1,125	1,400	1,500
Total direct obligations.....	697,452	692,273	673,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	1,859		
02 Travel.....	764		
Total obligations payable out of reimbursements from other accounts.....	2,623		
Obligations incurred.....	700,075	692,273	673,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$56,185	\$54,554	\$50,027
Obligations incurred during the year.....	700,075	692,273	673,000
	756,260	746,827	723,027
Deduct:			
Adjustment in obligations of prior years.....	1,164		
Reimbursements.....	2,623		
Unliquidated obligations, end of year.....	54,554	50,027	32,027
Total expenditures.....	697,919	696,800	691,000
Expenditures are distributed as follows:			
Out of current authorizations.....	642,898	642,946	642,000
Out of prior authorizations.....	55,021	53,854	49,000



# **[PRODUCTION AND MARKETING ADMINISTRATION] COMMODITY STABILIZATION SERVICE**

## **AGRICULTURAL ADJUSTMENT PROGRAMS**

### **Agricultural Adjustment Programs, Commodity Stabilization Service**

**[To enable the Secretary]** *For necessary expenses* to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), [and to provide advice and assistance to selective service authorities in connection with farm labor, \$38,500,000] \$42,500,000, of which not more than \$5,500,000 shall be placed in reserve [pending determination by the Secretary as to the necessity of] *to be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary for carrying out marketing quotas for the [1954] 1955 crop of wheat*, and this amount shall be released in such sums and at such times as may be determined by the Bureau of the Budget to be necessary. (50 U. S. C. 2061-2166; 66 Stat. 27, 296, 442, 597, 758; Act of July 14, 1953, Public Law 117; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, <sup>a</sup> \$43,500,000 Estimate 1955, <sup>b</sup> \$42,500,000  
Appropriated (adjusted) 1954, \$44,350,000

<sup>a</sup> Includes \$5,000,000 appropriated in the Supplemental Appropriation Act, 1954.

<sup>b</sup> Excludes \$38,000 for activities transferred in the estimates to "Salaries and expenses, Office of the Solicitor, Agriculture." The amount obligated in 1954 is shown in the schedule as a comparative transfer.

#### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$9,995,781	\$43,500,000	\$42,500,000
Transferred from—			
"Agricultural conservation program, Agriculture," pursuant to Public Law 59.....	1,938,000	-----	-----
"Conservation operations, Soil Conservation Service," pursuant to Public Law 59.....	922,000	-----	-----
"Sugar Act program, Commodity Stabilization Service," pursuant to Public Law 286.....	-----	36,713	-----
"School lunch program, Agricultural Marketing Service," pursuant to Public Law 286.....	-----	128,803	-----
"Removal of surplus agricultural commodities," pursuant to Public Law 286.....	-----	684,484	-----
Adjusted appropriation or estimate.....	12,855,781	44,350,000	42,500,000
Unobligated balance, estimated savings.....	—58,200	-----	-----
Obligations incurred.....	12,797,581	44,350,000	42,500,000
Comparative transfer to "Salaries and expenses, Office of the Solicitor, Agriculture".....	-----	—38,000	-----
Total obligations.....	12,797,581	44,312,000	42,500,000

#### OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
1. Acreage allotments and marketing quotas.....	\$10,284,658	\$44,062,000	\$42,500,000
2. Production goals and assistance to farmers.....	2,512,923	250,000	-----
Total obligations.....	12,797,581	44,312,000	42,500,000

#### PROGRAM AND PERFORMANCE

Agricultural adjustment programs include acreage allotment and marketing quota programs for basic agricultural commodities. These programs are designed to assist in stabilizing fluctuations in the supply, marketing, and price of specified basic agricultural commodities. Acreage allotments, when necessary, are established at National, State, and county levels (only at State level in the case of tobacco). In general, the acreage allotted to any county is apportioned by farmer-elected county committeemen. National marketing quotas must be

proclaimed for basic commodities whenever the supply situation specified in basic legislation requires them. However, quotas do not become effective unless approved by two-thirds of those voting in a referendum of farmers engaged in producing the affected commodity.

#### OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
06 Printing and reproduction.....	\$91,800	\$384,000	\$384,000
07 Other contractual services:			
Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392.....	2,995,781	6,507,000	5,725,000
"Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture," pursuant to 7 U. S. C. 1388.....	9,710,000	37,421,000	36,391,000
Total obligations.....	12,797,581	44,312,000	42,500,000

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$73,283	\$73,354	\$200,354
Obligations incurred during the year.....	12,797,581	44,350,000	42,500,000
	12,870,864	44,423,354	42,700,354
Deduct:			
Adjustment in obligations of prior years.....	7,281	-----	-----
Obligated balance carried to certified claims account.....	20,916	-----	-----
Unliquidated obligations, end of year.....	73,354	200,354	200,354
Total expenditures.....	12,769,313	44,223,000	42,500,000
Expenditures are distributed as follows:			
Out of current authorizations.....	12,724,227	44,150,000	42,300,000
Out of prior authorizations.....	45,086	73,000	200,000

#### SUGAR ACT PROGRAM

### **Sugar Act Program, Commodity Stabilization Service**

**[To enable the Secretary]** *For necessary expenses* to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101-1160), [\$59,645,000] \$59,600,000, to remain available until June 30 of the next succeeding fiscal year: *Provided, That* expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$1,445,000 \$1,392,000, of which \$77,000 shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use as may become necessary for applying restrictive proportionate shares on the 1955 beet crop. (Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$59,645,000 Estimate 1955, \$59,600,000  
Appropriated (adjusted) 1954, \$59,608,287

#### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$64,998,776	\$59,645,000	\$59,600,000
Transferred to "Agricultural adjustment programs, Commodity Stabilization Service," pursuant to Public Law 286.....	-----	—36,713	-----
Adjusted appropriation or estimate.....	64,998,776	59,608,287	59,600,000
Prior year balance available.....	35,000	93,500	-----
Reimbursements from non-Federal sources.....	371	-----	-----
Total available for obligation.....	65,034,147	59,701,787	59,600,000
Balance available in subsequent year.....	—93,500	-----	-----
Obligations incurred.....	64,940,647	59,701,787	59,600,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of equipment (40 U. S. C. 481 (c)).

#### OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
1. Payments to sugar producers:			
(a) Continental beet area.....	\$24,822,988	\$30,121,395	\$30,180,600
(b) Continental cane area.....	5,482,063	8,521,200	7,740,090
(c) Offshore cane area.....	33,224,136	19,558,629	20,287,310
2. Operating expenses.....	1,411,089	1,500,563	1,392,000
3. Obligations under reimbursements from non-Federal sources.....	371	-----	-----
Obligations incurred.....	64,940,647	59,701,787	59,600,000



# **[PRODUCTION AND MARKETING ADMINISTRATION] COMMODITY STABILIZATION SERVICE—Continued**

## **SUGAR ACT PROGRAM—continued**

### **Sugar Act Program, Commodity Stabilization Service—Continued**

#### **PROGRAM AND PERFORMANCE**

To provide consumers with adequate supplies of sugar at reasonable prices and to maintain the welfare of the domestic sugar industry, quotas are established for five domestic sugar-producing areas, the Philippines, Cuba, and other foreign countries. In addition, farm marketing allotments for sugarcane and sugar beets are established by the Secretary when necessary to restrict marketings to conform to the quota for the area and normal carryover requirements.

1. *Payments to sugar producers.*—Payments are made (a) to domestic producers of cane and beets who meet specified conditions of employment, production, and marketing; and (b) for abandonment of planted acreage and crop deficiencies on harvested acreages due to natural calamities.

2. *Operating expenses.*—These consist mainly of the expenses of (a) the agricultural stabilization and conservation State and county offices in establishing production controls, determining compliance, and making payments to producers; and (b) of the Service's departmental work in determining sugar consumption requirements, establishing quotas and allotments, making fair wage and price determinations, establishing production and marketing controls where necessary, and formulating overall policies and procedures.

#### **OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	62	60	57
Average number of all employees.....	60	58	55
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,370	\$4,206	\$4,191
Average grade.....	GS-5.6	GS-5.2	GS-5.2
01 Personal services:			
Permanent positions.....	\$357,356	\$365,874	\$338,893
Other positions.....	35	8	
Regular pay in excess of 52-week base.....	1,091	1,407	1,304
Payment above basic rates.....	111	20	
Total personal services.....	358,593	367,309	349,197
02 Travel.....	31,633	36,000	30,000
03 Transportation of things.....	1,091	1,500	900
04 Communication services.....	5,251	10,651	10,200
05 Rents and utility services.....	420	500	400
06 Printing and reproduction.....	9,737	9,000	8,000
07 Other contractual services:			
Advanced to—			
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938,” pursuant to 7 U. S. C. 1392.....	702,979	665,115	563,300
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture,” pursuant to 7 U. S. C. 1388.....	285,000	361,100	334,600
Services performed by other agencies.....	11,036	43,400	23,000
Other.....	2,398	2,500	
08 Supplies and materials.....	1,927	1,882	1,200
09 Equipment.....	1,126	1,300	1,000
11 Grants, subsidies, and contributions.....	63,529,187	58,201,224	58,208,000
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	1	6	3
15 Taxes and assessments.....	268	300	200
Contingency reserve.....			77,000
Obligations incurred.....	64,940,647	59,701,787	59,600,000

#### **ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$24,640,348	\$26,873,202	\$21,174,989
Obligations incurred during the year.....	64,940,647	59,701,787	59,600,000
	89,580,995	86,574,989	80,774,989

#### **ANALYSIS OF EXPENDITURES—continued**

	1953 actual	1954 estimate	1955 estimate
Deduct:			
Reimbursements.....	\$371		
Obligated balance carried to certified claims account.....	88,943		
Unliquidated obligations, end of year.....	26,873,202	\$21,174,989	\$15,974,989
Total expenditures.....	62,618,479	65,400,000	64,800,000
Expenditures are distributed as follows:			
Out of current authorizations.....	62,618,479	39,000,000	43,700,000
Out of prior authorizations.....		26,400,000	21,100,000

#### **INTERNATIONAL WHEAT AGREEMENT**

##### **International Wheat Agreement, Agriculture**

【The Secretary of the Treasury is hereby authorized and directed to discharge indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury by canceling notes issued by the Corporation of the Secretary of the Treasury in the amount of \$171,740,395 for the net costs during the fiscal year 1952 (including interest thereon through June 30, 1953) under the International Wheat Agreement Act of 1949 (7 U. S. C. 1641–1642).】 (Act of August 1, 1953, Public Law 180; Department of Agriculture Appropriation Act, 1954.)

#### **PROGRAM AND PERFORMANCE**

The International Wheat Agreement operates to provide an assured market for wheat to exporting countries and assured supplies of wheat to importing countries, at stable and equitable prices.

Under authority contained in the International Wheat Agreement Act of 1949, as amended (7 U. S. C. 1641–1642), capital funds of Commodity Credit Corporation are used to pay (a) the difference between the price specified in the Agreement and the domestic market price of wheat, and (b) administrative and interest costs. A supplemental estimate will be submitted early in this session of Congress to reimburse the Corporation for International Wheat Agreement expenditures applicable to operations during fiscal year 1953. This proposal would authorize the Secretary of the Treasury to cancel notes of Commodity Credit Corporation in the amount of \$130,867,992 for costs incurred in the fiscal year 1953 when 223,703,898 bushels of wheat and wheat flour (bushel equivalent) were exported pursuant to the Agreement. The following summary shows, by major cost elements, Commodity Credit Corporation costs since the beginning of International Wheat Agreement operations:

	Fiscal year 1952 (fiscal year 1950 operations)	Fiscal year 1953 (fiscal year 1951 operations)	Fiscal year 1954 (fiscal year 1952 operations)	Fiscal year 1954 supplemental (fiscal year 1953 operations)
Differential payments to commercial exporters.....	\$36,762,870	\$99,712,669	\$128,327,482	\$121,239,334
Due Commodity Credit Corporation for export of price support and supply stocks.....	38,873,852	78,659,163	38,843,999	4,923,647
Interest.....	1,171,278	3,790,418	4,568,914	4,705,011
Reimbursement by appropriation.....	76,808,000			
Reimbursement by cancellation of notes.....		182,162,250	171,740,395	130,867,992

#### **Miscellaneous**

##### **Administration of Price Adjustment Act of 1938, Department of Agriculture**

#### **AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$22,836	\$23,323	
Recovery of prior year obligations.....	487	112	
Total available for obligation.....	23,323	23,435	

## AMOUNTS AVAILABLE FOR OBLIGATION—continued

	1953 actual	1954 estimate	1955 estimate
Balance available in subsequent year.....	—\$23,323	-----	-----
Carried to surplus.....	-----	—\$23,435	-----
Obligations incurred.....	-----	-----	-----

## ANALYSIS OF EXPENDITURES

Adjustment in obligations of prior years (total expenditures out of prior authorizations)—1953, —\$487; 1954, —\$112.

*Advances to Agricultural Adjustment Administration, Department of Agriculture*

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$5,044	\$5,073	-----
Recovery of prior year obligations.....	29	-----	-----
Total available for obligation.....	5,073	5,073	-----
Balance available in subsequent year.....	—5,073	-----	-----
Carried to surplus.....	-----	—5,073	-----
Obligations incurred.....	-----	-----	-----

## ANALYSIS OF EXPENDITURES

Adjustment in obligations of prior years (total expenditures out of prior authorizations)—1953, —\$29.

*Payments for Agricultural Adjustments, Department of Agriculture*

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$324	-----	-----
Carried to surplus.....	—324	-----	-----
Obligations incurred.....	-----	-----	-----

*Salaries and Expenses, Agricultural Adjustment Administration*

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$161	-----	-----
Carried to surplus.....	—161	-----	-----
Obligations incurred.....	-----	-----	-----

*Supply and Distribution of Farm Labor, Department of Agriculture*

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$204	-----	-----
Recovery of prior year obligations.....	333	-----	-----
Balance transferred to "Operation and disposition, farm labor supply centers, etc., Public Housing Administration, Housing and Home Finance Agency," pursuant to sec. 205 of Public Law 475, Apr. 20, 1950.....	—537	-----	-----
Obligations incurred.....	-----	-----	-----

## ANALYSIS OF EXPENDITURES

Adjustment in obligations of prior years (total expenditures out of prior authorizations)—1953, —\$333.

*Allotments and Allocations Received From Other Appropriation Accounts*

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:  
 "Food prevention, Agriculture."  
 "Salaries and expenses, defense production activities, Agriculture."  
 "Mutual security, funds appropriated to the President."  
 "Government and relief in occupied areas, Army."  
 "Maintenance and operations, Air Force."

## FEDERAL CROP INSURANCE CORPORATION

## Operating and Administrative Expenses, Federal Crop Insurance Corporation

For operating and administrative expenses, [\$7,350,000] \$5,700,000. (7 U. S. C. 1501-1519; Act of August 13, 1953, Public

Law 261; 31 U. S. C. 841, 846-852, 866-868c, 869; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$7,350,000 Estimate 1955, \$5,700,000  
 Appropriated (adjusted) 1954, \$7,450,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$8,500,000	\$7,350,000	\$5,700,000
Transferred from "Salaries and expenses, Rural Electrification Administration," pursuant to Public Law 286.....	-----	100,000	-----
Transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service," pursuant to 66 Stat. 354.....	—1,052,200	-----	-----
Adjusted appropriation or estimate.....	7,447,800	7,450,000	5,700,000
Reimbursements from non-Federal sources.....	2,154	2,000	-----
Reimbursements from other accounts.....	1,053	500	-----
Total available for obligation.....	7,451,007	7,452,500	5,700,000
Unobligated balance, estimated savings.....	—532,766	-----	-----
Obligations incurred.....	6,918,251	7,452,500	5,700,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Underwriting and actuarial analysis.....	\$738,568	\$602,000	\$467,000
2. Contract sales and servicing.....	4,586,729	4,621,000	4,199,000
3. Crop inspections and loss adjustments.....	1,589,747	2,227,000	1,034,000
4. Obligations under reimbursements from non-Federal sources.....	2,154	2,000	-----
Total direct obligations.....	6,917,198	7,452,000	5,700,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Underwriting and actuarial analysis.....	33	58	-----
2. Contract sales and servicing.....	414	257	-----
3. Crop inspections and loss adjustments.....	606	185	-----
Total obligations payable out of reimbursements from other accounts.....	1,053	500	-----
Obligations incurred.....	6,918,251	7,452,500	5,700,000

## PROGRAM AND PERFORMANCE

This appropriation provides for the administrative and operating expenses of the Corporation. The presentation of the budget for insurance operations financed from capital funds is in the section on revolving and management funds at the end of the Agriculture chapter.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	661	589	503
Full-time equivalent of all other positions.....	241	310	40
Average number of all employees.....	784	806	529
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,344	\$4,376	\$4,428
Average grade.....	GS-5.9	GS-5.8	GS-5.8
Personal service obligations:			
Permanent positions.....	\$2,422,610	\$2,191,208	\$2,190,811
Other positions.....	808,491	1,051,027	130,719
Regular pay in excess of 52-week base.....	7,677	8,200	8,350
Payment above basic rates.....	4,166	-----	-----
Other payments for personal services.....	1,456	-----	-----
Total personal service obligations.....	3,244,400	3,250,435	2,329,880
<i>Direct Obligations</i>			
01 Personal services.....	3,243,770	3,250,435	2,329,880
02 Travel.....	798,652	892,020	397,620
03 Transportation of things.....	15,611	21,800	21,800
04 Communication services.....	29,392	139,400	154,400
05 Rents and utility services.....	131,169	151,000	151,000
06 Printing and reproduction.....	88,632	165,000	165,000



**FEDERAL CROP INSURANCE CORPORATION—Con.****Operating and Administrative Expenses, Federal Crop Insurance Corporation—Continued****OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations—Continued</i>			
07 Other contractual services:			
Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938"	\$342,570	\$117,900	
"Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture"	1,992,075	472,000	
Agents commissions		2,032,315	\$2,345,510
Services performed by other agencies	161,174	72,000	12,000
Other	29,169	33,200	33,200
08 Supplies and materials	37,472	57,000	57,000
09 Equipment	29,830	27,000	25,000
15 Taxes and assessments	17,682	20,900	7,590
Total direct obligations	6,917,198	7,452,000	5,700,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services	630		
06 Printing and reproduction	423	500	
Total obligations payable out of reimbursements from other accounts	1,053	500	
Obligations incurred	6,918,251	7,452,500	5,700,000

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$705,844	\$1,026,971	\$1,107,971
Obligations incurred during the year	6,918,251	7,452,500	5,700,000
	7,624,095	8,479,471	6,807,971
Deduct:			
Adjustment in obligations of prior years	62,769		
Reimbursements	3,207	2,500	
Unliquidated obligations, end of year	1,026,971	1,107,971	884,971
Total expenditures	6,531,148	7,369,000	5,923,000
Expenditures are distributed as follows:			
Out of current authorizations	5,892,780	6,314,000	4,817,000
Out of prior authorizations	638,368	1,025,000	1,106,000

**RURAL ELECTRIFICATION ADMINISTRATION**

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), as follows:

**LOAN AUTHORIZATIONS****Loans, Rural Electrification Administration, Agriculture**

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act as follows: Rural electrification program, **[\$135,000,000]** \$55,000,000; and rural telephone program, **[\$67,500,000]** \$75,000,000; and additional amounts, not to exceed **[\$45,000,000]** \$35,000,000 for the rural electrification program, may be borrowed under the same terms and conditions to the extent that such additional amounts are required during the fiscal year **[1954]** 1955, under the then existing conditions, for the expeditious and orderly development of the program. (*Department of Agriculture Appropriation Act, 1954.*)

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Authorization to expend from public debt receipts	\$92,500,000	\$202,500,000	\$130,000,000
Prior year balance available (authorization to expend from public debt receipts)	117,774,364	37,011,703	45,511,703
Recovery of prior year obligations	27,593,501	15,000,000	5,000,000
Total available for obligation	237,867,865	254,511,703	180,511,703
Balance available in subsequent year (authorization to expend from public debt receipts)	-37,011,703	-45,511,703	-5,511,703
Obligations incurred	200,856,162	209,000,000	175,000,000

**OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
1. Rural electrification	\$164,972,662	\$135,000,000	\$100,000,000
2. Rural telephone	35,883,500	74,000,000	75,000,000
Obligations incurred	200,856,162	209,000,000	175,000,000

**PROGRAM AND PERFORMANCE**

The Administration conducts two major programs: (a) The rural electrification program, to provide electric service to farms and other rural establishments; and (b) the rural telephone program, to furnish and improve telephone service in rural areas.

A decrease is estimated for the electrification loan program. The telephone loan program will continue at approximately the 1954 level.

1. *Rural electrification.*—This program is financed through loans which bear 2 percent interest and must be repaid within a period not to exceed 35 years. Loans are also made for shorter periods at 2 percent interest to electrification borrowers to be reloaned to their consumers for wiring and for the installation of electrical and plumbing appliances and equipment. Funds for making loans are borrowed from the Secretary of the Treasury.

When the rural electrification program was initiated in 1935, less than 11 percent of all farms had electric service. On June 30, 1953, the figure had risen to about 91 percent.

**PROGRESS AND STATUS OF THE ELECTRIFICATION PROGRAM**

Item	1953 actual	1954 estimate	1955 estimate
Total loans, cumulative (since 1935), net	\$2,730,009,086	\$2,850,009,086	\$2,945,009,086
Loans, annual, gross	\$164,972,662	\$135,000,000	\$100,000,000
Rescissions during year of prior loans	\$27,593,501	\$15,000,000	\$5,000,000
Loans, annual, net	\$137,379,161	\$120,000,000	\$95,000,000
Amount of principal, repaid, cumulative	\$279,889,098	\$335,889,098	\$399,389,098
Amount of interest paid, cumulative	\$151,123,323	\$175,623,323	\$203,123,323
Value of construction work in progress (end of year)	\$424,151,576	\$400,000,000	\$380,000,000
Miles energized, cumulative	1,271,443	1,326,443	1,366,443
Miles energized, annual	60,970	55,000	40,000
Consumers connected, cumulative	3,951,940	4,101,940	4,201,940
Consumers connected, annual	182,514	150,000	100,000
Number of borrowers	1,079	1,080	1,081

2. *Rural telephone.*—Loans are made for the purpose of financing the improvement, expansion, construction, acquisition, and operation of telephone lines and facilities or systems to furnish and improve telephone service in rural areas. The loans bear 2 percent interest and must be repaid within a period not to exceed 35 years. Funds for making loans are borrowed from the Secretary of the Treasury.

The 1950 Census showed 38.3 percent of all farms with telephones, fewer in both number and percentage than in 1920. Cumulative Rural Electrification Administration loans through June 30, 1953, will provide initial or improved service to an estimated 300,000 rural subscribers.

**PROGRESS AND STATUS OF THE TELEPHONE PROGRAM**

Item	1953 actual	1954 estimate	1955 estimate
Total loans (since 1950), cumulative, net	\$118,144,218	\$192,144,218	\$267,144,218
Loans, annual, net	\$35,883,500	\$74,000,000	\$75,000,000
Miles of pole line improved, cumulative	516	2,660	5,460
Miles of pole line improved, annual	377	2,144	2,800
Miles of new pole line constructed, cumulative	7,727	35,340	72,540
Miles of new pole line constructed, annual	7,650	27,613	37,200
Existing subscribers served, cumulative	12,222	75,000	120,000
Existing subscribers served, annual	10,810	62,778	45,000
New subscribers served, cumulative	12,507	77,000	130,000
New subscribers served, annual	12,233	64,493	53,000
Number of borrowers	219	339	464



## OBLIGATIONS BY OBJECTS

16 Investments and loans—1953, \$200,856,162; 1954, \$209,000,000; 1955, \$175,000,000.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year (authorization to expend from public debt receipts).....	\$612,501,560	\$554,265,481	\$506,265,481
Obligations incurred during the year.....	200,856,162	209,000,000	175,000,000
	813,357,722	763,265,481	681,265,481
Deduct:			
Adjustment in obligations of prior years.....	27,593,501	15,000,000	5,000,000
Unliquidated obligations, end of year (authorization to expend from public debt receipts).....	554,265,481	506,265,481	451,265,481
Total expenditures.....	231,498,740	242,000,000	225,000,000
Expenditures are distributed as follows:			
Out of current authorizations.....	231,498,740	12,000,000	14,000,000
Out of prior authorizations.....		230,000,000	211,000,000

## SALARIES AND EXPENSES

## Salaries and Expenses, Rural Electrification Administration

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), \$7,775,000; \$7,085,000. (5 U. S. C. 511-512; 7 U. S. C. 901-924; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$7,775,000 Estimate 1955, \$7,085,000  
Appropriated (adjusted) 1954, \$7,565,000

\* Excludes \$10,750 for activities transferred in the estimates to "Federal Extension Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$8,287,980	\$7,775,000	\$7,085,000
Transferred, pursuant to Public Law 286, to—			
"Salaries and expenses, Bureau of Agricultural Economics".....		—100,500	-----
"Operating and administrative expenses, Federal Crop Insurance Corporation".....		—100,000	-----
"Salaries and expenses, Office of Information, Agriculture".....		—9,500	-----
Adjusted appropriation or estimate.....	8,287,980	7,565,000	7,085,000
Reimbursements from non-Federal sources.....		2,000	2,000
Reimbursements from other accounts.....	860	-----	-----
Total available for obligation.....	8,288,840	7,567,000	7,087,000
Unobligated balance, estimated savings.....	—271,846	-----	-----
Obligations incurred.....	8,016,994	7,567,000	7,087,000
Comparative transfer to Federal Extension Service".....	—10,750	—10,750	-----
Total obligations.....	8,006,244	7,556,250	7,087,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Administration of rural electrification program.....	\$5,722,151	\$4,597,845	\$4,071,273
2. Administration of rural telephone program.....	2,283,233	2,956,405	3,013,727
3. Obligations under reimbursements from non-Federal sources.....	-----	2,000	2,000
Total direct obligations.....	8,005,384	7,556,250	7,087,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Administration of rural electrification program.....	579	-----	-----
2. Administration of rural telephone program.....	281	-----	-----
Total obligations payable out of reimbursements from other accounts.....	860	-----	-----
Total obligations.....	8,006,244	7,556,250	7,087,000

## PROGRAM AND PERFORMANCE

A decrease is estimated for the electrification program and an increase of a lesser amount is proposed for additional construction and loan security activities in the telephone program, resulting in a net decrease for both programs.

1. *Administration of rural electrification program.*—To assure that electric service is made available to all farms, borrowers are encouraged to develop their electric systems on an area-coverage basis. Studies are made of loan applications to assure self-liquidating operations. Standards are developed for the design and construction of facilities; engineering studies are carried on to solve complex technical problems; and engineering review of designs and physical facilities is provided where necessary to insure that construction conforms to approved standards and is adequate to meet the needs of rural consumers. Business management consultation is also furnished on a selective basis of need to protect the Government's loan security. All borrowers are required to have their records audited by certified public accounting firms and, as accounting and other financial management problems affecting loan security are revealed by these audits, the Administration, to the extent necessary, works with borrowers on their technical accounting problems.

2. *Administration of rural telephone program.*—Engineering standards are developed to assure that facilities financed are constructed at minimum cost and will render the best possible service. The quality of business management is appraised as part of the consideration of loan applications from existing companies, and consultation in this field is provided where needed. After execution of the loan contract, new borrowers are given technical accounting help in establishing the necessary accounting systems to meet the accounting requirements of regulatory bodies before any funds are advanced for construction. Where necessary for loan security, the Administration assists borrowers with their accounting and other business management problems in order to help them place their operations on a sound basis capable of meeting their loan obligations.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>RURAL ELECTRIFICATION ADMINISTRATION</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	1,194	1,090	984
Full-time equivalent of all other positions.....	6	4	4
Average number of all employees.....	1,131	1,036	974
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,728	\$5,812	\$5,790
Average grade.....	GS-9.0	GS-9.0	GS-9.0
Personal service obligations:			
Permanent positions.....	\$6,398,268	\$5,966,250	\$5,599,965
Other positions.....	58,134	40,000	42,750
Regular pay in excess of 52-week base.....	24,258	23,000	21,245
Payment above basic rates.....	16,159	15,000	15,590
Other payments for personal services.....	2,130	-----	-----
Total personal service obligations.....	6,498,949	6,044,250	5,679,550
<i>Direct Obligations</i>			
01 Personal services.....	6,498,136	6,044,250	5,679,550
02 Travel.....	1,024,858	995,000	903,000
03 Transportation of things.....	46,617	50,000	42,800
04 Communication services.....	104,521	146,000	153,000
05 Rents and utility services.....	25,355	29,000	29,000
06 Printing and reproduction.....	105,351	107,000	130,000
07 Other contractual services.....	48,250	29,600	11,400
Services performed by other agencies.....	55,230	60,850	46,500
08 Supplies and materials.....	50,747	47,500	45,000
09 Equipment.....	34,389	39,500	34,000
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	-----	250	250
15 Taxes and assessments.....	4,863	4,500	4,500
Total direct obligations.....	7,998,317	7,553,450	7,079,000



## RURAL ELECTRIFICATION ADMINISTRATION— Continued

### SALARIES AND EXPENSES—continued

#### Salaries and Expenses, Rural Electrification Administration—Con.

##### OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	\$813		
03 Transportation of things.....	47		
Total obligations payable out of reimbursements from other accounts.....	860		
Total obligations.....	7,999,177	\$7,553,450	\$7,079,000
<i>ALLOCATION TO DEPARTMENT OF COMMERCE</i>			
07 Other contractual services: Services performed by other agencies.....	\$7,067	\$2,800	\$8,000
<i>SUMMARY</i>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	1,194	1,090	984
Full-time equivalent of all other positions.....	6	4	4
Average number of all employees.....	1,131	1,036	974
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,728	\$5,842	\$5,799
Average grade.....	GS-9.0	GS-9.0	GS-9.0
Personal service obligations:			
Permanent positions.....	\$6,398,268	\$5,966,250	\$5,599,965
Other positions.....	58,134	40,000	42,750
Regular pay in excess of 52-week base.....	24,258	23,000	21,245
Payment above basic rates.....	16,159	15,000	15,590
Other payments for personal services.....	2,130		
Total personal service obligations.....	6,498,949	6,044,250	5,679,550
<i>Direct Obligations</i>			
01 Personal services.....	6,498,136	6,044,250	5,679,550
02 Travel.....	1,024,858	995,000	903,000
03 Transportation of things.....	46,617	50,000	42,800
04 Communication services.....	104,521	146,000	153,000
05 Rents and utility services.....	25,355	29,000	29,000
06 Printing and reproduction.....	105,351	107,000	130,000
07 Other contractual services.....	48,250	29,600	11,400
Services performed by other agencies.....	62,297	63,650	54,500
08 Supplies and materials.....	50,747	47,500	45,000
09 Equipment.....	34,389	39,500	34,000
13 Refunds, awards, and indemnities: Awards for employee suggestions.....		250	250
15 Taxes and assessments.....	4,863	4,500	4,500
Total direct obligations.....	8,005,384	7,556,250	7,087,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	813		
03 Transportation of things.....	47		
Total obligations payable out of reimbursements from other accounts.....	860		
Total obligations.....	8,006,244	7,556,250	7,087,000

##### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$686,585	\$703,823	\$650,823
Obligations incurred during the year.....	8,016,994	7,567,000	7,087,000
	8,703,579	8,270,823	7,737,823
Deduct:			
Adjustment in obligations of prior years.....	55,075		
Reimbursements.....	860	2,000	2,000
Obligated balance carried to certified claims account.....	2,346		
Unliquidated obligations, end of year.....	703,823	650,823	440,823
Total expenditures.....	7,941,475	7,618,000	7,295,000
Expenditures are distributed as follows:			
Out of current authorizations.....	7,390,213	6,914,177	6,644,177
Out of prior authorizations.....	551,262	703,823	650,823

## Miscellaneous

### Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriation, as follows:

"Flood prevention, Agriculture."

"Mutual security, funds appropriated to the President."

## FARMERS' HOME ADMINISTRATION

To carry into effect the provisions of titles I, II, and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1000-1031); the Farmers' Home Administration Act of 1946 (7 U. S. C. 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C. Code 535; 60 Stat. 1062-1080); the Act of July 30, 1946 (40 U. S. C. 436-439); the Act of August 28, 1937, as amended (16 U. S. C. 590-590x, 590z-5, for the development of facilities for water storage and utilization in the arid and semiarid areas of the United States; the provisions of title V of the Housing Act of 1949 (42 U. S. C. 1471-1483), as amended by the Housing Act of 1952 (Public Law 531, approved July 14, 1952), relating to financial assistance for farm housing; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U. S. C. 440-444); the items "Loans to farmers, 1948 flood damage" in the Act of June 25, 1948 (62 Stat. 1038) and "Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); and the Act to direct the Secretary of Agriculture to convey certain mineral interests, approved September 6, 1950 (7 U. S. C. 1033-1039), as follows:

### LOAN AUTHORIZATIONS

#### Loans, Farmers' Home Administration, Agriculture

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, [and title V of the Housing Act of 1949, as amended, (except grants under 504 (a)), \$35,500,000] \$19,000,000, of which not to exceed \$5,000,000 [of the amount available for the purposes of title I and section 43 of the Bankhead-Jones Farm Tenant Act, as amended,] may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land [(sums available for loans under title V of the Housing Act of 1949, as amended, to remain available until expended)]; title II of the Bankhead-Jones Farm Tenant Act, as amended, \$120,000,000; the Act of August 28, 1937, as amended, \$6,500,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

[For an additional amount for loans under title II of the Bankhead-Jones Farm Tenant Act, as amended, \$20,000,000, to be borrowed in the same account as is authorized under this head in the Department of Agriculture Appropriation Act, 1954.] (*Department of Agriculture Appropriation Act, 1954; Act of July 31, 1953, Public Law 175.*)

### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Authorization to expend from public debt receipts.....	\$164,000,000	\$182,000,000	\$145,500,000
Prior year balance available (authorization to expend from public debt receipts).....	289,978		
Total available for obligation.....	164,289,978	182,000,000	145,500,000
Unobligated balance, estimated savings (authorization to expend from public debt receipts).....	-1,423		
Obligations incurred.....	164,288,555	182,000,000	145,500,000

### OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
1. Farm ownership loans.....	\$18,993,868	\$19,000,000	\$19,000,000
2. Farm housing loans.....	19,294,817	16,500,000	
3. Production and subsistence loans.....	119,999,931	140,000,000	120,000,000
4. Water facilities loans.....	5,999,939	6,500,000	6,500,000
Obligations incurred.....	164,288,555	182,000,000	145,500,000



## PROGRAM AND PERFORMANCE

For the benefit of farmers unable to secure credit from other sources at reasonable rates, the Administration makes (a) direct loans and insures loans for the purchase, enlargement, or development of family-size farms; (b) loans for farm operating expenses; and (c) loans for water facilities in the arid and semiarid areas in 17 Western States.

The total borrowing authorization requested for loans amounts to \$145,500,000, representing a decrease of \$36,500,000 below the current year's authorization. This decrease consists of \$20,000,000 in production and subsistence loans, and \$16,500,000 in farm housing loans.

1. *Farm ownership and farm housing loans*—(a) *Farm ownership loans*.—Direct farm-ownership loans for the purchase or improvement of family-type farms are made to tenants, sharecroppers, farm laborers, owners of inadequate farms, and eligible veterans up to the full normal value of the farm at 4 percent interest for periods up to 40 years. Loans for the same purposes made by private lenders to eligible applicants are insured in amounts up to 90 percent of the normal farm value for periods up to 40 years at 3 percent interest, plus one-half of 1 percent as an insurance premium and one-half of 1 percent toward administrative expenses, the Administration services these loans, makes collections, and pays the lender.

## INITIAL FARM OWNERSHIP LOANS

Type	1953 actual		1954 estimate		1955 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	53,426		45,000		45,000	
Direct farm ownership loans.....	1,431	\$16,154,278	1,490	\$16,925,000	1,490	\$16,925,000
Insured mortgage loans.....	1,049	10,512,765	1,040	10,500,000	1,040	10,500,000

(b) *Farm housing building loans*.—These are made to farm owners for periods up to 33 years at 4 percent interest to construct, improve, alter, repair, or replace farm buildings. The budget proposes elimination of these loans in 1955.

(c) *Farm housing enlargement and development loans*.—Loans for farm enlargement and development are made for periods up to 33 years at 4 percent interest to farm owners. The budget proposes elimination of these loans in 1955.

2. *Production and subsistence loans*.—Loans are made for periods up to 7 years at 5 percent interest to provide reasonable farm and home credit for the purchase of livestock, feed, seed, farm equipment, and other farm necessities.

## LOANS

Fiscal year	Number of applications	Number of loans	Amount
1953 actual.....	112,642	58,485	\$119,999,931
1954 estimate.....	126,000	60,400	140,000,000
1955 estimate.....	127,000	54,050	120,000,000

3. *Water facilities loans*.—For the effective development and utilization of the limited water supplies available in the arid and semiarid areas of 17 Western States, loans are made to farmers at 3 percent interest for periods up to 20 years.

## INITIAL LOANS

Type	1953 actual		1954 estimate		1955 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	4,722		5,528		5,600	
Loans to individuals.....	1,179	\$4,655,390	1,143	\$4,571,000	1,143	\$4,571,000
Loans to groups.....	34	1,014,655	45	1,575,000	45	1,575,000

## COLLECTIONS OF PRINCIPAL AND INTEREST

	1953 actual	1954 estimate	1955 estimate
Direct farm ownership loans.....	\$24,724,031	\$25,160,000	\$25,660,000
Farm housing loans.....	7,036,033	8,750,000	11,400,000
Production and subsistence loans.....	94,080,637	104,650,000	112,026,000
Water facilities loans.....	2,367,916	3,075,000	3,680,000
Total.....	128,208,617	141,635,000	152,766,000

## OBLIGATIONS BY OBJECTS

16 Investments and loans—1953, \$164,288,555; 1954, \$182,000,000; 1955, \$145,500,000.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year (authorization to expend from public debt receipts).....	\$3,423,261	\$1,933,190	\$1,145,190
Adjustment in obligations of prior years.....	501,981		
Obligations incurred during the year.....	164,288,555	182,000,000	145,500,000
Deduct unliquidated obligations, end of year (authorization to expend from public debt receipts).....	168,213,797	183,933,190	146,645,190
Total expenditures.....	1,933,190	1,145,190	1,145,190
Expenditures are distributed as follows:			
Out of current authorizations.....	166,280,607	180,855,000	144,355,000
Out of prior authorizations.....		1,933,000	1,145,000

## SALARIES AND EXPENSES

## Salaries and Expenses, Farmers' Home Administration

For [the] making, servicing, and collecting [of] loans and insured mortgages, the servicing and collecting of loans made under prior authority, the liquidation of assets transferred to Farmers' Home Administration [pursuant to the Farmers' Home Administration Act of 1946, the extension of financial assistance under the Housing Act of 1949, as amended, and the administration of assets transferred under subsection 2 (f) of the Act of May 3, 1950, \$27,600,000], and other administrative expenses, \$22,250,000, together with a transfer [to this appropriation item] of not to exceed [\$325,000] \$400,000 of the fees and administrative expense charges made available by subsections (d) and (e) of section 12 of the Bankhead-Jones Farm Tenant Act, as amended. (Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$27,600,000 Estimate 1955, \$22,250,000  
Appropriated (adjusted) 1954, \$26,737,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$29,340,042	\$27,600,000	\$22,250,000
Transferred, pursuant to Public Law 286, to—			
“Salaries and expenses, Extension Service”.....		—833,000	
“Salaries and expenses, Foreign Agricultural Service”.....		—30,000	
Adjusted appropriation or estimate.....	29,340,042	26,737,000	22,250,000
Reimbursements from non-Federal sources.....	29,521	30,000	20,000
Reimbursements from other accounts.....	233,000	260,000	322,000
Farm tenant-mortgage insurance fund.....	102,269	110,000	83,000
Other.....			
Total available for obligation.....	29,704,832	27,137,000	22,675,000
Unobligated balance, estimated savings.....	—167,890		
Obligations incurred.....	29,536,942	27,137,000	22,675,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).



**FARMERS' HOME ADMINISTRATION—Continued****SALARIES AND EXPENSES—continued****Salaries and Expenses, Farmers' Home Administration—Continued****OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Salaries and expenses—administration of loans, grants, and insured mortgage programs	\$29,172,152	\$26,737,000	\$22,250,000
2. Obligations under reimbursements from non-Federal sources	29,521	30,000	20,000
Total direct obligations	29,201,673	26,767,000	22,270,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Salaries and expenses—administration of loan, grant, and insured mortgage programs	335,269	370,000	405,000
Obligations incurred	29,536,942	27,137,000	22,675,000

**PROGRAM AND PERFORMANCE**

County supervisors, assisted by appraisers and engineers working on a statewide basis, review loan applications, secure the approval of the county committee, and make loans within specified limits. Loans above such limits are approved by State office representatives. County office personnel collect and service outstanding loans.

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions	5,868	5,318	4,270
Full-time equivalent of all other positions	272	270	262
Average number of all employees	5,933	5,245	4,476
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary	\$4,292	\$4,341	\$4,269
Average grade	GS-5.6	GS-5.6	GS-5.4
<i>Personal service obligations:</i>			
Permanent positions	\$24,422,772	\$21,869,025	\$18,023,225
Other positions	396,155	397,500	387,800
Regular pay in excess of 52-week base	90,520	85,500	69,275
Payment above basic rates	150,951	23,000	13,000
Other payments for personal services	1,452		
Total personal service obligations	25,061,350	22,375,025	18,493,300
<i>Direct Obligations</i>			
01 Personal services	24,818,657	22,083,955	18,176,300
02 Travel	2,753,558	2,628,500	2,288,000
03 Transportation of things	99,764	205,250	137,250
04 Communication services	311,372	553,800	548,000
05 Rents and utility services	655,115	695,100	602,000
06 Printing and reproduction	146,351	156,275	144,000
07 Other contractual services	117,929	138,630	126,000
Services performed by other agencies	26,300	26,000	26,000
08 Supplies and materials	146,513	131,040	115,000
09 Equipment	99,167	120,000	80,000
13 Refunds, awards, and indemnities	881	50	50
Awards for employee suggestions	1,380	1,400	1,400
15 Taxes and assessments	24,686	27,000	26,000
Total direct obligations	29,201,673	26,767,000	22,270,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services	243,193	291,070	317,000
02 Travel	47,154	29,725	37,000
03 Transportation of things	4		
05 Rents and utility services	25,844	35,000	35,000
06 Printing and reproduction	15		
07 Other contractual services	18,958	14,205	16,000
08 Supplies and materials	101		
Total obligations payable out of reimbursements from other accounts	335,269	370,000	405,000
Obligations incurred	29,536,942	27,137,000	22,675,000

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$2,176,910	\$2,229,747	\$2,151,747
Obligations incurred during the year	29,536,942	27,137,000	22,675,000
	31,713,852	29,366,747	24,826,747
Deduct:			
Adjustment in obligations of prior years	48,186		
Reimbursements	364,790	400,000	425,000
Unliquidated obligations, end of year	2,229,747	2,151,747	1,811,747
Total expenditures	29,071,129	26,815,000	22,590,000
Expenditures are distributed as follows:			
Out of current authorizations	26,943,075	24,587,000	20,440,000
Out of prior authorizations	2,128,054	2,228,000	2,150,000

**Miscellaneous**

*Advances From Secretary of the Treasury for Farm Tenancy Loans, Agriculture*

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year balance available	\$139,667	\$60,965	
Balance available in subsequent year	-60,965		
Carried to surplus		-60,965	
Obligations incurred	78,702		

**OBLIGATIONS BY ACTIVITIES**

Loans—1953, \$78,702.

**OBLIGATIONS BY OBJECTS**

16 Investments and loans—1953, \$78,702.

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$77,780		
Obligations incurred during the year	78,702		
Total expenditures (out of prior authorizations)	156,482		

*Grants, Farm Housing, Farmers' Home Administration, Agriculture*

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year balance available	\$177,562	\$122,252	
Balance transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," pursuant to 66 Stat. 335		-122,252	
Balance available in subsequent year	-122,252		
Obligations incurred	55,310		

**OBLIGATIONS BY ACTIVITIES**

Farm housing improvement grants—1953, \$55,310.

**OBLIGATIONS BY OBJECTS**

11 Grants, subsidies, and contributions—1953, \$55,310.

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$1,000		
Obligations incurred during the year	55,310		
Total expenditures (out of prior authorizations)	56,310		

*Allotments Received From Other Appropriation Accounts*

NOTE.—Obligations incurred under allotments from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Flood prevention, Agriculture."

"Disaster loans, etc., revolving fund, Department of Agriculture."

## OFFICE OF THE SOLICITOR

## Salaries and Expenses, Office of the Solicitor, Agriculture

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, [\$2,300,000] \$2,098,000, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such expenses which several amounts not exceeding a total of [\$318,000] \$300,000 shall be transferred to and made a part of this appropriation. (5 U. S. C. 511-512, 518; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$2,300,000 Estimate 1955, " \$2,098,000  
Appropriated (adjusted) 1954, \$2,250,000

\* Includes \$61,000 for activities previously carried under appropriations as follows:  
"Agricultural Marketing Act, Agriculture"..... \$5,000  
"Flood prevention, Agriculture"..... 18,000  
"Agricultural adjustment programs, Commodity Stabilization Service"..... 38,000  
The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$2,352,024	\$2,300,000	\$2,098,000
Transferred to "Salaries and expenses, Office of Information, Agriculture," pursuant to Public Law 286.....		-50,000	
Adjusted appropriation or estimate.....	2,352,024	2,250,000	2,098,000
Reimbursements from non-Federal sources.....	1,595	1,400	1,400
Reimbursements from other accounts.....	206,469	300,000	300,000
Total available for obligation.....	2,560,058	2,551,400	2,399,400
Unobligated balance, estimated savings.....	-49,418		
Obligations incurred.....	2,510,670	2,551,400	2,399,400
Comparative transfer from— "Agricultural Marketing Act, Agriculture" "Flood prevention, Agriculture" "Agricultural adjustment programs, Commodity Stabilization Service".....	4,573 18,426	5,000 18,000	
Total obligations.....	2,533,669	2,612,400	2,399,400

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Agricultural credit.....	\$653,098	\$650,000	\$477,000
2. Commodity credit, production, and adjustment programs.....	370,084	308,000	293,000
3. Lands, forestry, research, and general legal services.....	472,589	473,000	458,000
4. Marketing and regulatory laws.....	399,653	440,000	435,000
5. Rural electrification and telephone pro- grams.....	430,181	440,000	435,000
6. Obligations under reimbursements from non-Federal sources.....	1,595	1,400	1,400
Total direct obligations.....	2,327,200	2,312,400	2,099,400
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
2. Commodity credit, production, and adjustment programs.....	206,469	300,000	300,000
Total obligations.....	2,533,669	2,612,400	2,399,400

## PROGRAM AND PERFORMANCE

The Office performs all the legal work arising from the activities of the Department and represents the Department in proceedings in connection with the administration of regulatory laws of the Department. The Office assists the Department of Justice by preparing briefs for and participating in the trial of cases in court.

1. *Agricultural credit.*—Legal services are provided the Farmers' Home Administration for its various loan programs. As a result of the Farm Credit Act of 1953 legal work in connection with the Farm Credit Administration will not be financed from this appropriation in fiscal year 1955.

2. *Commodity credit, production, and adjustment pro-*

*grams.*—These legal services deal with price-support activities, domestic and foreign procurement, disposal of agricultural surpluses, national school-lunch program, agricultural conservation, farm-marketing quotas, crop insurance, sugar programs, claims settlement and adjustment, international trade and commodity agreements, and import restrictions. The Solicitor serves as general counsel for both the Commodity Credit Corporation and the Federal Crop Insurance Corporation.

3. *Lands, forestry, research, and general legal services.*—In addition to general legal services rendered for the Department as a whole, legal and abstracting services are provided in connection with the acquisition and exchange of lands; operation and management of the national forests, soil-conservation districts, and other public lands; flood prevention; patents; and agricultural research projects.

4. *Marketing and regulatory laws.*—Legal services are furnished in connection with the administration and enforcement of quarantine acts and legal provisions relating to the marketing and distribution of agricultural commodities.

5. *Rural electrification and telephone programs.*—Legal services are provided for the Rural Electrification Administration, including review and legal approval of loan and security documents; review and legal approval of borrowers' contracts, titles, easements, franchises, rights-of-way; and participation in litigation before State regulatory bodies and in the courts.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	507	486	431
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	428	432	389
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,406	\$5,569	\$5,738
Average grade.....	GS-7.6	GS-7.9	GS-8.0
Personal service obligations:			
Permanent positions.....	\$2,362,181	\$2,428,425	\$2,243,500
Other positions.....	3,654	5,200	3,300
Regular pay in excess of 52-week base.....	9,101	9,340	8,600
Payment above basic rates.....	6,825	2,400	700
Other payments for personal services.....	867		
Total personal service obligations.....	2,382,628	2,445,365	2,256,100
<i>Direct Obligations</i>			
01 Personal services.....	2,188,491	2,163,945	1,973,742
02 Travel.....	48,121	55,887	43,736
03 Transportation of things.....	2,986	4,434	3,061
04 Communication services.....	22,511	22,623	22,118
05 Rents and utility services.....	2,683	2,500	2,500
06 Printing and reproduction.....	22,208	17,736	15,498
07 Other contractual services.....	2,911	1,511	1,483
Services performed by other agencies.....	1,494	4,172	3,500
08 Supplies and materials.....	18,211	21,555	17,500
09 Equipment.....	14,943	14,813	13,113
13 Refunds, awards, and indemnities.....		88	88
15 Taxes and assessments.....	2,641	3,136	3,061
Total direct obligations.....	2,327,200	2,312,400	2,099,400
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	194,137	281,420	282,358
02 Travel.....	4,278	7,113	6,264
03 Transportation of things.....	265	566	439
04 Communication services.....	2,220	2,877	2,882
06 Printing and reproduction.....	1,975	2,264	2,502
07 Other contractual services.....	259	189	217
Services performed by other agencies.....	133	528	500
08 Supplies and materials.....	1,638	2,745	2,500
09 Equipment.....	1,329	1,887	1,887
13 Refunds, awards, and indemnities.....		12	12
15 Taxes and assessments.....	235	399	439
Total obligations payable out of reimbursements from other ac- counts.....	206,469	300,000	300,000
Total obligations.....	2,533,669	2,612,400	2,399,400



## OFFICE OF THE SOLICITOR—Continued

## Salaries and Expenses, Office of the Solicitor, Agriculture—Con.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year....	\$168,334	\$177,406	\$184,406
Obligations incurred during the year.....	2,510,670	2,551,400	2,399,400
	2,679,004	2,728,806	2,583,806
Deduct:			
Adjustment in obligations of prior years.....	1,255		
Reimbursements.....	208,064	301,400	301,400
Obligated balance carried to certified claims account.....	948		
Unliquidated obligations, end of year.....	177,406	184,406	175,406
Total expenditures.....	2,291,331	2,243,000	2,107,000
Expenditures are distributed as follows:			
Out of current authorizations.....	2,125,401	2,069,000	1,927,000
Out of prior authorizations.....	165,930	174,000	180,000

## Allotments Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments from other appropriations are shown in the schedule of the parent appropriations, as follows:

- \*Disaster loans, etc., revolving fund, Department of Agriculture."
- "Salaries and expenses, defense production activities, Agriculture."
- "Consolidated working fund, Agriculture."

## OFFICE OF THE SECRETARY

## Salaries and Expenses, Office of the Secretary of Agriculture

For expenses of the Office of the Secretary of Agriculture, including the purchase of one passenger motor vehicle for replacement only; [travel expenses, including examination of estimates for appropriations in the field] *expenses of the National Agricultural Advisory Commission*; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; [\$2,188,000] \$2,119,000, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such services and expenses, which several amounts or portions thereof, as may be determined by the Secretary, not exceeding a total of [\$101,280] \$84,280, shall be transferred to and made a part of this appropriation. (5 U. S. C. 511-517; secs. 511-512—establishing the Department of Agriculture, which was implemented by the Act of July 24, 1919 (5 U. S. C. 563-564), apply to all appropriation items of the Department which are not based upon specific legislative authority either incorporated in the language of the item or cited immediately thereunder; 5 U. S. C. 520a, 542-1, 543b, 1001; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$2,188,000

Estimate 1955, \$2,119,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$2,227,133	\$2,188,000	\$2,119,000
Reimbursements from non-Federal sources.....	1,319		
Reimbursements from other accounts:			
"Administrative expenses, Commodity Credit Corporation".....	83,980	84,280	84,280
"Flood prevention, Agriculture".....	24,850	17,000	
Other.....	32,575	41,481	41,481
Total available for obligation.....	2,369,857	2,330,761	2,244,761
Unobligated balance, estimated savings.....	-25,935		
Obligations incurred.....	2,343,922	2,330,761	2,244,761

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. General administration.....	\$503,574	\$485,805	\$499,253
2. Personnel administration and service.....	501,437	500,000	462,500

## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations—Continued</i>			
3. Budgetary and financial administration and service.....	\$699,387	\$696,605	\$661,775
4. General operations.....	428,945	432,348	410,730
5. Office of hearing examiners.....	67,855	73,242	73,242
6. National Agricultural Advisory Commission.....			11,500
7. Obligations under reimbursements from non-Federal sources.....	1,319		
Total direct obligations.....	2,202,517	2,188,000	2,119,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. General administration.....	34,889	27,298	10,298
2. Personnel administration and service.....	50,991	64,090	64,090
3. Budgetary and financial administration and service.....	32,486	28,498	28,498
4. General operations.....	23,039	22,875	22,875
Total obligations payable out of reimbursements from other accounts.....	141,405	142,761	125,761
Obligations incurred.....	2,343,922	2,330,761	2,244,761

## PROGRAM AND PERFORMANCE

The Office provides the overall planning, coordination, and administration of the Department's programs, and also supplies certain services on a Department-wide basis.

The proposed net decrease will result in reduction of certain staff services to the agencies of the Department.

1. *General administration.*—The Secretary, the Under Secretary, and the Assistant Secretaries, supported by their staffs, develop policies, execute legislative and administrative policy determinations, maintain liaison with Congress, coordinate activities within the Department and with other departments, and provide direction for the Department as a whole, including its participation in international programs.

2. *Personnel administration and service.*—The Office determines and promulgates departmental policies and procedures relating to classification, job evaluation, salary and wage administration, recruitment, placement, retirement, separation, leave, safety, awards programs, performance ratings, employee relations, training, organization affecting personnel management, discipline, investigations and health. The operational phases of the personnel management program are substantially delegated to the agencies. The Office conducts a periodic review to insure unification of the personnel management program and to measure its effectiveness in the agencies.

3. *Budgetary and financial administration and service.*—Department-wide supervision, leadership, and coordination are provided in the fields of budgetary, fiscal, property, and supply management, and in related activities of the Department. Departmental policies and procedures are formulated and promulgated, programs and legislative proposals are reviewed and evaluated for budgetary, financial, and related implications; and improvements are fostered in the management and operation of work programs administered by the Department.

4. *General operations.*—Provision is made for the housing of Department activities; communications and records management; administrative services and budgetary functions for the Office of the Secretary; and departmental service operations in the District of Columbia, including the Department's post office, telephone switchboard, telegraph office, reproduction and supply services and motor transport service.

5. *Office of hearing examiners.*—These examiners hold hearings in connection with the prescribing of new

regulations and orders and on disciplinary complaints filed by the Department or on petitions filed by private parties asking relief from some action of the Department.

6. *National Agricultural Advisory Commission.*—Provision is made for the payment of necessary expenses incident to periodic meetings of the National Agricultural Advisory Commission, established pursuant to Executive Order 10472, approved July 20, 1953.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	371	353	339
Full-time equivalent of all other positions.....	1	3	3
Average number of all employees.....	353	350	335
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary.....	\$5, 970	\$5, 925	\$5, 937
Average grade.....	GS-8.6	GS-8.5	GS-8.5
Crafts, protective, and custodial grades:			
Average salary.....	\$2, 975	\$2, 986	\$3, 009
Average grade.....	CPC-3.3	CPC-3.4	CPC-3.4
<i>Personal service obligations:</i>			
Permanent positions.....	\$2, 098, 175	\$2, 056, 683	\$1, 976, 037
Other positions.....	5, 958	33, 232	27, 553
Regular pay in excess of 52-week base.....	7, 578	7, 986	7, 634
Payment above basic rates.....	3, 035	3, 000	3, 000
Other payments for personal services.....	937		
Total personal service obligations.....	2, 115, 683	2, 100, 901	2, 014, 224
<i>Direct Obligations</i>			
01 Personal services.....	1, 983, 922	1, 972, 138	1, 900, 228
02 Travel.....	64, 390	63, 438	100, 378
03 Transportation of things.....	7, 402	5, 051	4, 376
04 Communication services.....	23, 829	27, 451	27, 951
05 Rents and utility services.....	399	400	400
06 Printing and reproduction.....	58, 861	59, 290	56, 085
07 Other contractual services.....	2, 121	2, 415	2, 615
Services performed by other agencies.....	31, 031	7, 827	7, 627
08 Supplies and materials.....	13, 159	13, 181	12, 831
09 Equipment.....	15, 953	6, 064	5, 754
05 Taxes and assessments.....	1, 450	755	755
Total direct obligations.....	2, 202, 517	2, 188, 000	2, 119, 000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	131, 761	128, 763	113, 996
02 Travel.....	7, 449	13, 000	11, 000
04 Communication services.....	230		
06 Printing and reproduction.....	500	233	
08 Supplies and materials.....	1, 465	765	765
Total obligations payable out of reimbursements from other accounts.....	141, 405	142, 761	125, 761
Obligations incurred.....	2, 343, 922	2, 330, 761	2, 244, 761

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$156, 804	\$168, 202	\$180, 202
Obligations incurred during the year.....	2, 343, 922	2, 330, 761	2, 244, 761
	2, 500, 726	2, 498, 963	2, 424, 963
Deduct:			
Reimbursements.....	142, 724	142, 761	125, 761
Unliquidated obligations, end of year.....	168, 202	180, 202	184, 202
Total expenditures.....	2, 189, 800	2, 176, 000	2, 115, 000
<i>Expenditures are distributed as follows:</i>			
Out of current authorizations.....	2, 034, 050	2, 012, 000	1, 935, 000
Out of prior authorizations.....	155, 750	164, 000	180, 000

## Miscellaneous

*Salaries and Expenses, Defense Production Activities, Agriculture*

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$2, 000, 000		
Reimbursements from non-Federal sources.....	393		
Reimbursements from other accounts.....	1, 042		
Total available for obligation.....	2, 001, 435		

## AMOUNTS AVAILABLE FOR OBLIGATION—continued

	1953 actual	1954 estimate	1955 estimate
Unobligated balance, estimated savings.....	—\$139, 660		
Obligations incurred.....	1, 861, 775		

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Commodities Stabilization Service:			
(a) Requirements and allocations.....	\$563, 520		
(b) Materials and facilities.....	940, 799		
(c) Obligations under reimbursements from non-Federal sources.....	346		
Subtotal.....	1, 504, 665		
2. Forest Service:			
(a) Special studies of timber resources and forest products industries, and other technical assistance, under the Defense Production Act.....	9, 903		
3. Foreign Agricultural Service:			
(a) Requirements and allocations.....	\$94, 000		
(b) Agricultural machinery and supplies.....	26, 913		
(c) Commodity analysis of strategic imports.....	40, 877		
(d) Analysis of potential foreign production for United States raw material requirements.....	8, 974		
Subtotal.....	170, 764		
4. Agricultural Research Service:			
(a) Preparation of data on farm wages, farm labor supply, and requirements.....	63, 514		
(b) Development of production capacities and requirements.....	8, 927		
(c) Obligations under reimbursement from non-Federal sources.....	47		
Subtotal.....	72, 488		
5. Agricultural Marketing Service:			
(a) Special estimates in crop and livestock and price fields.....	26, 942		
6. Office of Solicitor (legal services).....	17, 575		
7. Office of Information:			
(a) Informational staff.....	30, 390		
(b) Motion picture and television films.....	8, 500		
Subtotal.....	38, 890		
8. Office of the Secretary (departmental supervision and security investigatory work).....	19, 506		
Total direct obligations.....	1, 860, 733		
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
2. Forest Service:			
(a) Special studies of timber resources and forest products industries, and other technical assistance, under the Defense Production Act.....	67		
4. Agricultural Research Service:			
(a) Preparation of data on farm wages, farm labor supply, and requirements.....	975		
Total obligations payable out of reimbursements from other accounts.....	1, 042		
Obligations incurred.....	1, 861, 775		

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>ALLOTMENT TO COMMODITY STABILIZATION SERVICE</i>			
Total number of permanent positions.....	215		
Full-time equivalent of all other positions.....	4		
Average number of all employees.....	224		
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary.....	\$4, 370		
Average grade.....	GS-5.6		



## OFFICE OF THE SECRETARY—Continued

## Miscellaneous—Continued

## Salaries and Expenses, Defense Production Activities, Agriculture—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO COMMODITY STABILIZATION SERVICE—continued</b>			
01 Personal services:			
Permanent positions.....	\$1,378,232		
Other positions.....	5,898		
Regular pay in excess of 52-week base.....	3,871		
Payment above basic rates.....	46		
Total personal services.....	1,388,047		
02 Travel.....	20,034		
03 Transportation of things.....	5,424		
04 Communication services.....	16,164		
05 Rents and utility services.....	3,230		
06 Printing and reproduction.....	9,330		
07 Other contractual services:			
Advanced to "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392.....	41,500		
Services performed by other agencies.....	6,876		
Other.....	3,955		
08 Supplies and materials.....	6,578		
09 Equipment.....	2,359		
13 Refunds, awards, and indemnities.....	9		
15 Taxes and assessments.....	1,159		
Obligations incurred.....	1,504,665		
<b>ALLOTMENT TO FOREST SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	4		
Average number of all employees.....	2		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,539		
Average grade.....	GS-9.8		
Personal service obligations: Permanent positions.....	\$9,934		
<i>Direct Obligations</i>			
01 Personal services.....	9,867		
03 Transportation of things.....	4		
07 Other contractual services: Services performed by other agencies.....	3		
08 Supplies and materials.....	29		
Total direct obligations.....	9,903		
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	67		
Obligations incurred.....	9,970		
<b>ALLOTMENT TO FOREIGN AGRICULTURAL SERVICE</b>			
Total number of permanent positions.....	29		
Average number of all employees.....	29		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,845		
Average grade.....	GS-6.7		
01 Personal services:			
Permanent positions.....	\$165,712		
Regular pay in excess of 52-week base.....	553		
Payment above basic rates.....	15		
Total personal services.....	166,280		
02 Travel.....	400		
04 Communication services.....	1,480		
06 Printing and reproduction.....	2,145		
07 Other contractual services:			
Services performed by other agencies.....	33		
08 Supplies and materials.....	61		
15 Taxes and assessments.....	304		
Obligations incurred.....	170,764		

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO AGRICULTURAL RESEARCH SERVICE</b>			
Total number of permanent positions.....	18		
Full-time equivalent of all other positions.....	2		
Average number of all employees.....	11		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,729		
Average grade.....	GS-7.2		
<i>Direct Obligations</i>			
01 Personal services:			
Permanent positions.....	\$50,780		
Other positions.....	6,472		
Regular pay in excess of 52-week base.....	179		
Total personal services.....	57,431		
02 Travel.....	10,453		
04 Communication services.....	35		
06 Printing and reproduction.....	697		
07 Other contractual services:			
Services performed by other agencies.....	1,817		
08 Supplies and materials.....	969		
09 Equipment.....	685		
15 Taxes and assessments.....	128		
Total direct obligations.....	72,488		
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
07 Other contractual services.....	975		
Obligations incurred.....	73,463		
<b>ALLOTMENT TO AGRICULTURAL MARKETING SERVICE</b>			
Total number of permanent positions.....	12		
Average number of all employees.....	5		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,250		
Average grade.....	GS-7.1		
01 Personal services:			
Permanent positions.....	\$25,047		
Regular pay in excess of 52-week base.....	104		
Payment above basic rates.....	368		
Total personal services.....	25,519		
02 Travel.....	552		
04 Communication services.....	20		
06 Printing and reproduction.....	851		
Obligations incurred.....	26,942		
<b>ALLOTMENT TO OFFICE OF THE SOLICITOR</b>			
Average number of all employees.....	3		
01 Personal services: Positions other than permanent.....	\$17,145		
08 Supplies.....	396		
15 Taxes and assessments.....	34		
Obligations incurred.....	17,575		
<b>ALLOTMENT TO OFFICE OF INFORMATION</b>			
Total number of permanent positions.....	4		
Average number of all employees.....	5		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,693		
Average grade.....	GS-9.0		
01 Personal services:			
Permanent positions.....	\$28,268		
Regular pay in excess of 52-week base.....	67		
Total personal services.....	28,335		
03 Transportation of things.....	1,882		
06 Printing and reproduction.....	126		
07 Other contractual services: Services performed by other agencies.....	8,500		

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO OFFICE OF INFORMATION—continued</b>			
08 Supplies and materials.....	\$34		
15 Taxes and assessments.....	13		
Obligations incurred.....	38,890		
<b>ALLOTMENT TO OFFICE OF THE SECRETARY</b>			
Total number of permanent positions.....	3		
Average number of all employees.....	2		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,305		
Average grade.....	GS-9.0		
01 Personal services: Permanent positions.....	\$13,799		
02 Travel.....	945		
03 Transportation of things.....	204		
04 Communication services.....	326		
06 Printing and reproduction.....	4,331		
08 Supplies and materials.....	1		
Obligations incurred.....	19,506		
<b>SUMMARY</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	285		
Full-time equivalent of all other positions.....	6		
Average number of all employees.....	281		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,542		
Average grade.....	GS-6.0		
Personal service obligations:			
Permanent positions.....	\$1,688,917		
Other positions.....	12,370		
Regular pay in excess of 52-week base.....	4,774		
Payment above basic rates.....	429		
Total personal service obligations.....	1,706,490		
<i>Direct Obligations</i>			
01 Personal services.....	1,706,423		
02 Travel.....	32,384		
03 Transportation of things.....	7,514		
04 Communication services.....	18,025		
05 Rents and utility services.....	3,230		
06 Printing and reproduction.....	17,380		
07 Other contractual services:			
Advanced to "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392.....	41,500		
Services performed by other agencies.....	16,409		
Other.....	5,805		
08 Supplies and materials.....	8,027		
09 Equipment.....	2,487		
13 Refunds, awards, and indemnities.....	9		
15 Taxes and assessments.....	1,540		
Total direct obligations.....	1,860,733		
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	67		
07 Other contractual services.....	975		
Total obligations payable out of reimbursements from other accounts.....	1,042		
Obligations incurred.....	1,861,775		

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$769,683	\$155,953	
Obligations incurred during the year.....	1,861,775		
	2,631,458	155,953	
Deduct:			
Adjustment in obligations of prior years.....	13,446		
Reimbursements.....	1,435		
Unliquidated obligations, end of year.....	155,953		
Total expenditures.....	2,460,624	155,953	
Expenditures are distributed as follows:			
Out of current authorizations.....	1,704,387		
Out of prior authorizations.....	756,237	155,953	

## Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Salaries and expenses, defense production activities, Agriculture."

"Consolidated working fund, Agriculture."

"Maintenance and operations, Air Force."

"Mutual security, funds appropriated to the President."

## OFFICE OF INFORMATION

## Salaries and Expenses, Office of Information, Agriculture

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, **[\$1,160,000] \$968,000**, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such expenses, which several amounts not exceeding a total of \$16,014 shall be transferred to and made a part of this appropriation, of which total appropriation not to exceed **[\$560,000] \$324,000** may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U. S. C. 417) [and not less than two hundred thirty thousand eight hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U. S. C. 241)]: *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That no part of this appropriation shall be used for the establishment or maintenance of regional or State field offices, or for the compensation of employees in such offices. (5 U. S. C. 511-512, 518; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, **\$1,160,000** Estimate 1955, \* **\$968,000**  
Appropriated (adjusted) 1954, **\$1,223,000**

\* Includes \$43,000 for activities previously carried under "Agricultural Marketing Act, Agriculture." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$1,251,201	\$1,160,000	\$968,000
Transferred, pursuant to Public Law 286, from:			
"Salaries and expenses, Office of the Solicitor, Agriculture".....		50,000	
"Salaries and expenses, Rural Electrification Administration".....		9,500	
"Removal of surplus agricultural commodities".....		3,500	
Adjusted appropriation or estimate.....	1,251,201	1,223,000	968,000
Reimbursements from non-Federal sources.....	2,704		
Reimbursements from other sources.....	55,304	16,014	16,014
Total available for obligation.....	1,309,209	1,239,014	984,014
Unobligated balance, estimated savings.....	-92,589		
Obligations incurred.....	1,216,620	1,239,014	984,014
Comparative transfer from "Agricultural Marketing Act, Agriculture".....	25,188	28,000	
Total obligations.....	1,241,808	1,267,014	984,014

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)) and the furnishings of reproduction of photographs and of motion-picture footage (7 U. S. C. 1387).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Publications review and distribution.....	\$562,914	\$662,219	\$624,719
2. Review and distribution of current agricultural information.....	377,429	359,951	98,851
3. Review, preparation and distribution of agricultural information by radio, television, exhibits, and motion pictures.....	243,457	228,830	244,430
4. Obligations under reimbursements from non-Federal sources.....	2,704		
Total direct obligations.....	1,186,504	1,251,000	968,000



## OFFICE OF INFORMATION—Continued

## Salaries and Expenses, Office of Information, Agriculture—Con.

## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Publications review and distribution.....	\$18,700	\$5,595	\$5,595
2. Review and distribution of current agricultural information.....	8,302	7,445	7,445
3. Review, preparation, and distribution of agricultural information by radio, television, exhibits, and motion pictures.....	28,302	2,974	2,974
Total obligations payable out of reimbursements from other accounts.....	55,304	16,014	16,014
Total obligations.....	1,241,808	1,267,014	984,014

## PROGRAM AND PERFORMANCE

The Office of Information has responsibility for directing, integrating, and coordinating the information work of the entire Department through press, radio, television, publications, motion pictures, and exhibits as a part of the effective execution of the research, regulatory, administrative, resource conservation, and other programs of the Department. The workload of the Office is dependent to a large extent upon direct requests for information and to legislative requirements.

Publications include farmers' bulletins, leaflets, periodicals, scientific, research and marketing publications, and agricultural statistics. Special information is furnished to national magazines, encyclopedic annuals, and trade publications. Exhibits are supplied to State extension workers for their use in State exhibit showings. Motion pictures for the Department are produced on a reimbursable basis and distributed through 74 cooperating State film libraries. The Department's activities require the editing of about 3,000 periodic crop, price, and market reports and other press releases annually. Digests, newsletters, and other services are made available to press associations, daily newspapers, and farm publications. Radio is used to reach farmers locally and to broadcast regular weekly programs on major networks. Television package programs are prepared for use of land-grant colleges and television farm broadcasters.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	135	122	117
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	122	115	110
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salary.....	\$5,033	\$5,115	\$5,051
Average grade.....	GS-7.0	GS-7.2	GS-7.1
Crafts, protective, and custodial grades:			
Average salary.....	\$3,219	\$3,146	\$3,174
Average grade.....	CPC-4.6	CPC-4.1	CPC-4.1
<i>Personal service obligations:</i>			
Permanent positions.....	\$590,146	\$561,288	\$528,444
Other positions.....	3,386		
Regular pay in excess of 52-week base.....	1,961	2,078	2,001
Payment above basic rates.....	37		
Total personal service obligations.....	595,530	563,366	530,445
<i>Direct Obligations</i>			
01 Personal services.....	556,896	548,742	515,821
02 Travel.....	8,267	8,400	8,000
03 Transportation of things.....	3,988	3,950	3,950
04 Communication services.....	7,321	70,150	82,150
06 Printing and reproduction.....	568,145	586,500	315,500

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations—Continued</i>			
07 Other contractual services.....	\$2,965	\$4,000	\$4,000
Services performed by other agencies.....	25,546	17,700	27,121
08 Supplies and materials.....	8,052	9,258	9,158
09 Equipment.....	4,466	1,200	1,200
13 Refunds, awards, and indemnities.....	77		
15 Taxes and assessments.....	781	1,100	1,100
Total direct obligations.....	1,186,504	1,251,000	968,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	38,634	14,624	14,624
03 Transportation of things.....	143		
06 Printing and reproduction.....	840		
07 Other contractual services.....	790		
Services performed by other agencies.....	12,577	100	100
08 Supplies and materials.....	2,320	1,290	1,290
Total obligations payable out of reimbursements from other accounts.....	55,304	16,014	16,014
Total obligations.....	1,241,808	1,267,014	984,014

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$569,819	\$512,539	\$218,539
Obligations incurred during the year.....	1,216,620	1,239,014	984,014
	1,786,439	1,751,553	1,202,553
Deduct:			
Adjustment in obligations of prior years.....	23,993		
Reimbursements.....	58,008	16,014	16,014
Obligated balance carried to certified claims account.....	578		
Unliquidated obligations, end of year.....	512,539	218,539	203,539
Total expenditures.....	1,191,321	1,517,000	983,000
<i>Expenditures are distributed as follows:</i>			
Out of current authorizations.....	647,433	1,009,000	785,000
Out of prior authorizations.....	543,888	508,000	198,000

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Salaries and expenses, defense production activities, Agriculture."

"Working capital fund, Department of Agriculture."

"Consolidated working fund, Agriculture."

"Mutual security, funds appropriated to the President."

## LIBRARY

## Salaries and Expenses, Library, Agriculture

For necessary expenses, including dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; [\$673,800] \$659,950. (5 U. S. C. 83, 511-512, 514, 516, 552a; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$673,800

Estimate 1955, \$659,950

Appropriated (adjusted) 1954, \$681,800

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$681,169	\$673,800	\$659,950
Transferred from "Removal of surplus agricultural commodities," pursuant to Public Law 286.....		8,000	
Adjusted appropriation or estimate.....	681,169	681,800	659,950
Reimbursements from non-Federal sources.....	55,000	32,000	32,000
Reimbursements from other accounts.....	78,000	68,000	18,000
Total available for obligation.....	814,169	781,800	709,950
Unobligated balance, estimated savings.....	-368		
Obligations incurred.....	813,801	781,800	709,950

NOTE.—Reimbursements from non-Federal sources above are receipts from sales of copies of bibliographic reproductions (5 U. S. C. 552a).



## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. General agricultural library services....	\$538,047	\$538,850	\$517,000
2. Specialized services to research.....	142,754	142,950	142,950
3. Obligations under reimbursements from non-Federal sources.....	55,000	32,000	32,000
Total direct obligations.....	735,801	713,800	691,950
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. General agricultural library services....	78,000	68,000	18,000
Obligations incurred.....	813,801	781,800	709,950

## PROGRAM AND PERFORMANCE

The library, serving as the National Agricultural Library, procures and preserves books, periodicals, and published materials on agriculture. It is organized into a main office in Washington and five specialized field branches for major field research installations. Various State agencies provide library services to Department employees in designated geographical areas under cooperative agreements. One general branch serves the Beltsville Research Center.

1. *General agricultural library service.*—About 37,000 volumes were added during the fiscal year 1953 to the collection of approximately 1,000,000 volumes on agriculture and related subjects. In addition, about 284,000 separate issues of periodicals are received annually. During 1953, 1,322,234 loans of books and other publications (including photocopies in lieu of loans) were made and 169,355 reference questions were answered. The Bibliography of Agriculture was issued monthly, including a total of 99,983 items.

2. *Specialized services to research.*—Special bibliographies compiled for research purposes and branch services were furnished to major segments of the Department's research programs.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	175	161	145
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	167	157	142
<i>Average salaries and grades:</i>			
General schedule grades:			
Average salaries.....	\$3,988	\$3,927	\$3,906
Average grades.....	GS-5.2	GS-5.2	GS-5.3
<i>Personal service obligations:</i>			
Permanent positions.....	\$670,016	\$606,276	\$546,541
Other positions.....	2,177	2,150	2,150
Regular pay in excess of 52-week base.....	2,521	2,500	2,200
Payment above basic rates.....	272	350	350
Total personal service obligations.....	674,986	611,276	551,241
<i>Direct Obligations</i>			
01 Personal services.....	616,138	569,126	542,741
02 Travel.....	4,430	4,380	4,000
03 Transportation of things.....	3,997	2,726	2,800
04 Communication services.....	5,733	12,800	14,850
06 Printing and reproduction:			
Binding.....	26,332	25,650	25,135
Other.....	4,774	6,344	7,500
07 Other contractual services.....	6,801	20,200	22,200
Services performed by other agencies.....	3,655	1,000	2,000
08 Supplies and materials.....	17,138	14,750	18,750
09 Equipment.....	44,939	54,824	50,024
15 Taxes and assessments.....	1,864	2,000	1,950
Total direct obligations.....	735,801	713,800	691,950
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	58,848	42,150	8,500
03 Transportation of things.....		1,500	

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Obligations Payable Out of Reimbursements From Other Accounts—Continued</i>			
04 Communication services.....	\$135	\$1,000	\$100
06 Printing and reproduction.....	1,491	1,500	1,000
07 Other contractual services.....		1,000	
Services performed by other agencies.....		3,000	
08 Supplies and materials.....	2,020	8,600	1,350
09 Equipment.....	15,219	9,000	7,000
15 Taxes and assessments.....	287	250	50
Total obligations payable out of reimbursements from other accounts.....	78,000	68,000	18,000
Obligations incurred.....	813,801	781,800	709,950

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year....	\$77,108	\$58,253	\$59,053
Obligations incurred during the year.....	813,801	781,800	709,950
	890,909	840,053	769,003
Deduct:			
Adjustment in obligations of prior years.....	648		
Reimbursements.....	133,000	100,000	50,000
Obligated balance carried to certified claims accounts.....	5,338	3,000	2,500
Unliquidated obligations, end of year....	58,253	59,053	50,503
Total expenditures.....	693,670	678,000	666,000
<i>Expenditures are distributed as follows:</i>			
Out of current authorizations.....	631,813	621,000	621,000
Out of prior authorizations.....	61,857	57,000	45,000

## Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:  
 "Consolidated working fund, Agriculture."  
 "Mutual security, funds appropriated to the President."

## [AGRICULTURAL MARKETING ACT]

## Agricultural Marketing Act, Agriculture

[To enable the Secretary to improve and develop, independently or through cooperation among Federal and State agencies, and others, a sound and efficient system for the distribution and marketing of agricultural products under the provisions of titles II and III of the Act of August 14, 1946, as amended (7 U. S. C. 1621-1629), and for expenses of any advisory committees established as provided in title III of said Act to assist in effectuating the research and service work of the Department, \$5,500,000: *Provided*, That not less than \$600,000 of this amount shall be available for contracts in accordance with the provisions of section 205 of said Act: *Provided further*, That the Secretary may make available to any bureau, office, or agency of the Department such amounts from this appropriation as may be necessary to carry out the functions for which it is made (but amounts made available to the Office of the Secretary, Office of the Solicitor, and Office of Information, shall not exceed those which the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine), and any such amounts shall be in addition to amounts transferred or otherwise made available to other appropriation items of the Department: *Provided further*, That no part of this appropriation shall be available for work relating to fish or shellfish or any product thereof, except for the support of equitable transportation rates before Federal agencies concerned with such rates and for development of foreign markets.] (*Department of Agriculture Appropriation Act, 1954.*)

## Appropriated 1954, \$5,500,000

NOTE.—Estimate of \$8,000,000 for activities previously carried under this title has been transferred in the estimates to the following appropriations:

"Salaries and expenses, Agricultural Research Service".....	\$310,625
"Payments to States, Agricultural Research Service".....	500,000
"Payments to States, Extension Service".....	925,000
"Federal Extension Service".....	175,000
"Salaries and expenses, Forest Service".....	52,000
"Marketing research and service, Agricultural Marketing Service".....	4,889,375
"Payments to States, Territories, and possessions, Agricultural Marketing Service".....	900,000
"Salaries and expenses, Foreign Agricultural Service".....	200,000
"Salaries and expenses, Office of the Solicitor, Agriculture".....	5,000
"Salaries and expenses, Office of Information, Agriculture".....	43,000

The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.



**[AGRICULTURAL MARKETING ACT]—Continued****Agricultural Marketing Act, Agriculture—Continued**

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$5,249,333	\$5,500,000	-----
Reimbursements from non-Federal sources.....	705	700	-----
Reimbursements from other accounts.....	50,889	70,500	-----
Total available for obligation.....	5,300,927	5,571,200	-----
Unobligated balance, estimated savings.....	-103,149	-----	-----
Obligations incurred.....	5,197,778	5,571,200	-----
Comparative transfer to—			
“Salaries and expenses, Agricultural Research Service”:			
Direct appropriation.....	-267,553	-310,625	-----
Reimbursements from non-Federal sources.....	-527	-----	-----
Reimbursements from other accounts.....	-1,494	-----	-----
“Payments to States, Hawaii, Alaska, and Puerto Rico, Agricultural Research Service”.....	-255,200	-268,000	-----
“Salaries and expenses, Forest Service”.....	-29,917	-32,000	-----
“Federal Extension Service”.....	-80,765	-105,000	-----
“Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service”.....	-541,166	-530,000	-----
“Salaries and expenses, Foreign Agricultural Service”.....	-145,302	-137,900	-----
“Salaries and expenses, Office of Information, Agriculture”.....	-25,188	-28,000	-----
“Salaries and expenses, Office of the Solicitor, Agriculture”.....	-4,573	-5,000	-----
“Marketing Research and Service, Agricultural Marketing Service”:			
Direct appropriation.....	-3,253,521	-3,510,475	-----
Reimbursements from non-Federal sources.....	-178	-700	-----
Reimbursements from other accounts.....	-49,395	-70,500	-----
“Payments to States, Territories and Possessions, Agricultural Marketing Service”.....	-542,999	-573,000	-----
Total obligations.....			

NOTE.—Reimbursements from non-Federal sources are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,147,772	\$1,038,029	\$1,113,029
Adjustment in obligations of prior years.....	49,643	-----	-----
Obligations incurred during the year.....	5,197,778	5,571,200	-----
Deduct:	6,395,193	6,609,229	1,113,029
Reimbursements.....	51,594	71,200	-----
Obligated balance carried to certified claims account.....	1,264	-----	-----
Unliquidated obligations, end of year.....	1,038,029	1,113,029	500,029
Total expenditures.....	5,304,306	5,425,000	613,000
Expenditures are distributed as follows:			
Out of current authorizations.....	4,415,618	4,585,000	-----
Out of prior authorizations.....	888,688	840,000	613,000

**[BUREAU OF AGRICULTURAL ECONOMICS]****Salaries and Expenses, Bureau of Agricultural Economics**

For necessary expenses in carrying out the provisions of the Act establishing the Bureau of Agricultural Economics (7 U. S. C. 411) and related Acts, as follows: ]

Economic investigations: For conducting investigations and for acquiring and diffusing useful information among the people of the United States, relative to agricultural production, distribution, land utilization, and conservation in their broadest aspects, including farm management and practice, utilization of farm and food products, purchasing of farm supplies, farm population and rural life, farm labor, farm finance, insurance and taxation, adjustments in production to probable demand for the different farm and food products; land ownership and values, costs, prices and income in their relation to agriculture, including causes for their variations and trends, \$2,246,000: *Provided*, That no part of the funds herein appropriated or made available to the Bureau of Agricultural Economics under the heading “Economic investigations” shall be used for State and county land-use planning, for conducting cultural surveys, or for the maintenance of regional offices. ]

Crop and livestock estimates: For collecting, compiling, abstracting, analyzing, summarizing, interpreting, and publishing

data relating to agriculture, including crop and livestock estimates, acreage, yield, grades, staples of cotton, stocks, and value of farm crops and numbers, grades, and value of livestock and livestock products on farms, production, distribution, and consumption of turpentine and rosin pursuant to the Act of August 15, 1935 (5 U. S. C. 556b), and for the collection and publication of statistics of peanuts as provided by the Act approved June 24, 1936, as amended May 12, 1938 (7 U. S. C. 951-957), \$3,158,000: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating or publishing a report stating the intention of farmers as to the acreage to be planted in cotton, or for estimates of apple production for other than the commercial crop. ] (5 U. S. C. 511-512; 7 U. S. C. 411, 411a, 411b, 475-476; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$5,404,000

Appropriated (adjusted) 1954, \$5,729,000

NOTE.—Estimate of \$6,074,000 for activities previously carried under this title has been transferred in the estimates to the following appropriations:

“Salaries and expenses, Agricultural Research Service”..... \$1,416,000  
 “Marketing research and service, Agricultural Marketing Service”..... 4,658,000  
 The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$5,428,400	\$5,404,000	-----
Transferred from—			
“Conservation operations, Soil Conservation Service,” pursuant to Public Law 286.....	-----	224,500	-----
“Salaries and expenses, Rural Electrification Administration,” pursuant to Public Law 286.....	-----	100,500	-----
Adjusted appropriation or estimate.....	5,428,400	5,729,000	-----
Reimbursements from non-Federal sources.....	5,263	9,000	-----
Reimbursements from other accounts.....	22,279	30,000	-----
Total available for obligation.....	5,455,942	5,768,000	-----
Unobligated balance, estimated savings.....	-95,260	-----	-----
Obligations incurred.....	5,360,682	5,768,000	-----
Comparative transfer to—			
“Salaries and expenses, Agricultural Research Service”:			
Direct appropriation.....	-1,223,648	-1,218,000	-----
Reimbursements from non-Federal sources.....	-595	-2,000	-----
Reimbursements from other accounts.....	-16,519	-20,500	-----
“Marketing research and service, Agricultural Marketing Service”:			
Direct appropriation.....	-4,109,492	-4,511,000	-----
Reimbursements from non-Federal sources.....	-4,668	-7,000	-----
Reimbursements from other accounts.....	-5,760	-9,500	-----
Total obligations.....			

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$517,056	\$532,106	\$628,106
Obligations incurred during the year.....	5,360,682	5,768,000	-----
Deduct:	5,877,738	6,300,106	628,106
Adjustment in obligations of prior years.....	38,481	-----	-----
Reimbursements.....	27,542	39,000	-----
Obligated balance carried to certified claims account.....	105	-----	-----
Unliquidated obligations, end of year.....	532,106	628,106	-----
Total expenditures.....	5,279,504	5,633,000	628,106
Expenditures are distributed as follows:			
Out of current authorizations.....	4,805,103	5,101,000	-----
Out of prior authorizations.....	474,401	532,000	628,106

**[AGRICULTURAL RESEARCH ADMINISTRATION]****[OFFICE OF ADMINISTRATOR]****Salaries and Expenses, Office of Administrator, Agricultural Research Administration**

For necessary expenses of the Office of the Administrator, including travel and subsistence expenses of advisory committees authorized by title III of the Act of August 14, 1946 (7 U. S. C. 1628-1629), \$341,677: *Provided*, That of the several appropriations



of the Agricultural Research Administration, not to exceed \$15,000 shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That the several appropriations of the Agricultural Research Administration shall be available for the construction, alteration, and repair of buildings and improvements: *Provided, however*, That unless otherwise provided, the cost of constructing any one building (excepting headhouses connecting greenhouses and experimental farm houses) shall not exceed \$5,000, the total amount for construction of buildings costing more than \$2,500 each shall be within the limits of the estimates submitted and approved therefor, and the cost of altering any one building during the fiscal year shall not exceed \$2,500 or 2 percentum of the cost of the building, whichever is greater: *Provided further*, That transfers not to exceed \$11,000 may be made to this appropriation from the several appropriations of the Agricultural Research Administration for general-use capital improvements at the Agricultural Research Center.】 (5 U. S. C. 511-512, 565a, 568b; *Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, \$341,677

NOTE.—Estimate of \$341,677 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Agricultural Research Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

#### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$580,677	\$341,677	-----
Unobligated balance, estimated savings.....	-7,417	-----	-----
Obligations incurred.....	573,260	341,677	-----
Comparative transfer to—			
“Salaries and expenses, Bureau of Human Nutrition and Home Economics, Agricultural Research Administration”.....	-14,800	-----	-----
“Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration”.....	-77,806	-----	-----
“Salaries and expenses, Bureau of Dairy Industry, Agricultural Research Administration”.....	-17,800	-----	-----
“Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration”.....	-93,000	-----	-----
“Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration”.....	-16,800	-----	-----
“Salaries and expenses, Forest Service”.....	-2,400	-----	-----
“Conservation operations, Soil Conservation Service”.....	-11,300	-----	-----
“Salaries and expenses, marketing services, Production and Marketing Administration”.....	-9,600	-----	-----
“Salaries and expenses, Agricultural Research Service”.....	-329,754	-341,677	-----
Total obligations.....	-----	-----	-----

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$100,917	\$103,421	\$71,098
Adjustment in obligations of prior years.....	1,565	-----	-----
Obligations incurred during the year.....	573,260	341,677	-----
-----	675,742	445,098	71,098
Deduct unliquidated obligations, end of year.....	103,421	71,098	-----
Total expenditures.....	572,321	374,000	71,098
Expenditures are distributed as follows:			
Out of current authorizations.....	488,858	285,000	-----
Out of prior authorizations.....	83,463	89,000	71,098

#### 【OFFICE OF EXPERIMENT STATIONS】

##### 【SALARIES AND EXPENSES】

#### Salaries and Expenses, Office of Experiment Stations, Agricultural Research Administration

【For necessary expenses in connection with administration of grants and coordination of research with States pursuant to the Acts approved March 2, 1887, March 16, 1906, February 24, 1925, May 16, 1928, February 23, 1929, March 4, 1931, and June 20, 1936, and Acts amendatory thereto (7 U. S. C. 361-363, 365-383, 386-386f), and title I of the Act approved June 29, 1935, as amended

by the Act of September 21, 1944 (7 U. S. C. 427-427g), and for the administration, operation, and maintenance of an agricultural experiment station in Puerto Rico, \$380,000; and the Secretary shall prescribe the form of the annual financial statement required under the above Acts, ascertain whether the expenditures are in accordance with their provisions, coordinate the research work of the State agricultural colleges and experiment stations in the lines authorized in said Acts with research of the Department in similar lines, and make report thereon to Congress.】 (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, \$380,000

Appropriated (adjusted) 1954, \$369,750

NOTE.—Estimate of \$369,750 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Agricultural Research Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

#### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$380,000	\$380,000	-----
Transferred to "Salaries and expenses, Extension Service," pursuant to Public Law 286.....	-----	-10,250	-----
Adjusted appropriation or estimate.....	380,000	369,750	-----
Unobligated balance, estimated savings.....	-5,695	-----	-----
Obligations incurred.....	374,305	369,750	-----
Comparative transfer to "Salaries and expenses, Agricultural Research Service".....	-374,305	-369,750	-----
Total obligations.....	-----	-----	-----

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$42,655	\$36,296	\$38,046
Obligations incurred during the year.....	374,305	369,750	-----
-----	416,960	406,046	38,046
Deduct:			
Adjustment in obligations of prior years.....	2,154	-----	-----
Unliquidated obligations, end of year.....	36,296	38,046	-----
Total expenditures.....	378,510	368,000	38,046
Expenditures are distributed as follows:			
Out of current authorizations.....	338,143	333,000	-----
Out of prior authorizations.....	40,367	35,000	38,046

#### 【VIRGIN ISLANDS AGRICULTURAL PROGRAM】

#### Virgin Islands Agricultural Program, Office of Experiment Stations, Agricultural Research Administration

【For expenses necessary to carry out an agricultural program in the Virgin Islands in accordance with the provisions of the Act approved October 29, 1951 (48 U. S. C. 1409m-1409o), \$100,000.】 (*Department of Agriculture Appropriation Act, 1954.*)

Appropriated 1954, \$100,000

Appropriated (adjusted) 1954, \$95,180

NOTE.—Estimate of \$95,180 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Agricultural Research Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

#### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$100,000	\$100,000	-----
Transferred to "Salaries and expenses, Extension Service," pursuant to Public Law 286.....	-----	-4,820	-----
Adjusted appropriation or estimate.....	100,000	95,180	-----
Reimbursements from other accounts.....	3,037	5,000	-----
Total available for obligation.....	103,037	100,180	-----
Unobligated balance, estimated savings.....	-1,292	-----	-----
Obligations incurred.....	101,745	100,180	-----
Comparative transfer to "Salaries and expenses, Agricultural Research Service".....	-----	-----	-----
Direct appropriation.....	-98,708	-95,180	-----
Reimbursements from other accounts.....	-3,037	-5,000	-----
Total obligations.....	-----	-----	-----



# **[AGRICULTURAL RESEARCH ADMINISTRATION]—Continued**

## **[VIRGIN ISLANDS AGRICULTURAL PROGRAM]—continued**

### **Virgin Islands Agricultural Program, Office of Experiment Stations, Agricultural Research Administration—Continued**

#### **ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....		\$13,974	\$10,154
Obligations incurred during the year.....	\$101,745	100,180	
	101,745	114,154	10,154
Deduct:			
Reimbursements.....	3,037	5,000	
Unliquidated obligations, end of year.....	13,974	10,154	
Total expenditures.....	84,734	99,000	10,154
Expenditures are distributed as follows:			
Out of current authorizations.....	84,734	86,500	
Out of prior authorizations.....		12,500	10,154

## **[RESEARCH ON AGRICULTURAL PROBLEMS OF ALASKA]**

### **Research on Agricultural Problems of Alaska, Office of Experiment Stations, Agricultural Research Administration**

[For expenses necessary to enable the Secretary to conduct research into the basic agricultural needs and problems of the Territory of Alaska, through such agencies of the Department as he may designate, independently or in cooperation with appropriate agencies of the Territory of Alaska, \$270,000.] (5 U. S. C. 511-512; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$270,000

NOTE.—Estimate of \$270,000 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Agricultural Research Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

#### **AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$270,000	\$270,000	
Unobligated balance, estimated savings.....	-1,244		
Obligations incurred.....	268,756	270,000	
Comparative transfer to "Salaries and expenses, Agricultural Research Service".....	-268,756	-270,000	
Total obligations.....			

#### **ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$42,219	\$41,305	\$36,305
Obligations incurred during the year.....	268,756	270,000	
	310,975	311,305	36,305
Deduct unliquidated obligations, end of year.....	41,305	36,305	
Total expenditures.....	269,670	275,000	36,305
Expenditures are distributed as follows:			
Out of current authorizations.....	230,795	251,000	
Out of prior authorizations.....	38,875	24,000	36,305

## **[BUREAU OF HUMAN NUTRITION AND HOME ECONOMICS]**

### **Salaries and Expenses, Bureau of Human Nutrition and Home Economics, Agricultural Research Administration**

[For necessary expenses in connection with conducting investigations of the relative utility and economy of agricultural products for food, clothing, and other uses in the home, with special suggestions of plans and methods for the more effective utilization of such products for these purposes, and such economic investigations, including housing and household buying, as have for their purpose the improvement of the rural home, for coordinating nutrition services made available by Federal, State, and other agencies, and for disseminating useful information on these subjects, \$1,404,500.]

(5 U. S. C. 511-512; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$1,404,500

NOTE.—Estimate of \$1,554,500 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Agricultural Research Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

#### **AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$1,399,202	\$1,404,500	
Reimbursements from non-Federal sources.....	37	1,500	
Reimbursements from other accounts.....	317	300	
Total available for obligation.....	1,399,556	1,406,300	
Unobligated balance, estimated savings.....	-20,352		
Obligations incurred.....	1,379,204	1,406,300	
Comparative transfer from "Salaries and expenses, Office of Administrator, Agricultural Research Administration".....	14,800		
Comparative transfer to "Salaries and expenses, Agricultural Research Service".....			
Direct appropriation.....	-1,393,650	-1,404,500	
Reimbursements from non-Federal sources.....	-37	-1,500	
Reimbursements from other accounts.....	-317	-300	
Total obligations.....			

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of charts (7 U. S. C. 1387), and of personal property (40 U. S. C. 481 (c)).

#### **ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$304,783	\$287,812	\$295,312
Obligations incurred during the year.....	1,379,204	1,406,300	
	1,683,987	1,694,112	295,312
Deduct:			
Adjustment in obligations of prior years.....	13,979		
Reimbursements.....	354	1,800	
Unliquidated obligations, end of year.....	287,812	295,312	50,312
Total expenditures.....	1,381,842	1,397,000	245,000
Expenditures are distributed as follows:			
Out of current authorizations.....	1,192,719	1,189,000	
Out of prior authorizations.....	189,123	208,000	245,000

## **[BUREAU OF ANIMAL INDUSTRY]**

### **Salaries and Expenses, Bureau of Animal Industry, Agricultural Research Administration**

[For expenses necessary to carry out the provisions of the Act, as amended, establishing a Bureau of Animal Industry, and related Acts, and for investigation concerned with the livestock and meat industries and the domestic raising of fur-bearing animals, as follows:]

[Animal research: For animal husbandry investigations; investigations of diseases of animals and of tuberculin, serums, antitoxins, and analogous products; and cooperation in the administration of regulations for the improvement of poultry, poultry products, and hatcheries, as authorized by law (7 U. S. C. 429), \$4,049,500.]

[Animal disease control and eradication: For the control and eradication of tuberculosis and paratuberculosis of animals, avian tuberculosis, brucellosis of domestic animals, scabies in sheep and cattle, southern cattle ticks, hog cholera and related swine diseases, and dourine in horses, and other inspection and quarantine work authorized by law; for supervision of the transportation of livestock, including administration of the twenty-eight-hour law; for inspection of vessels; and for carrying out the provisions of the Act of March 4, 1913 (21 U. S. C. 151-158) and sections 56 to 60, inclusive, of the Act approved August 24, 1935 (7 U. S. C. 851-855), relating to veterinary biological products, \$8,480,500: *Provided*, That no payment hereunder as compensation for any cattle condemned for slaughter for tuberculosis, paratuberculosis, or brucellosis shall exceed (1) \$25 for any grade animal or \$50 for any pure bred animal, (2) one-third of the difference between the appraised value and the value of salvage thereof, or (3) the amount paid or to be paid by the State or other cooperating agency, and no payment hereunder shall be made for any animal if at the time of test or condemnation it shall belong to or be upon the premises of any person, firm, or corporation to which it has been sold, shipped, or delivered for slaughter.]



【Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products, \$14,160,000: *Provided*, That the proviso permitting reimbursement for meat inspection appearing under the heading "Bureau of Animal Industry, Salaries and expenses, meat inspection" in the Department of Agriculture Appropriation Act, 1952 is hereby repealed.】 (5 U. S. C. 511-512, 563-564, 565a, 576; 7 U. S. C. 391, 394-396, 429-431, 433-434, 436-437; 15 U. S. C. 69e; 19 U. S. C. 1201, 1306; 21 U. S. C. 71-96, 101-105, 111-128, 130-131; 31 U. S. C. 725a; 45 U. S. C. 71-74; 46 U. S. C. 466a-466b; 48 U. S. C. 198; 49 U. S. C. 177 (e), 181 (b); Act of August 8, 1953, Public Law 227; Department of Agriculture Appropriation Act, 1954.)

#### Appropriated 1954, \$26,690,000

NOTE.—Estimate of \$26,395,335 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Agricultural Research Service." Excludes \$1,800 for activities transferred in the estimates to "Federal Extension Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

##### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$26,391,462	\$26,690,000	-----
Transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," pursuant to 66 Stat. 354.....	-195,000	-----	-----
Adjusted appropriation or estimate.....	26,196,462	26,690,000	-----
Reimbursements from non-Federal sources.....	2,656,920	2,613,900	-----
Reimbursements from other accounts.....	645,058	863,962	-----
Total available for obligation.....	29,498,440	30,167,862	-----
Unobligated balance, estimated savings.....	-92,230	-----	-----
Obligations incurred.....	29,406,210	30,167,862	-----
Comparative transfer from "Salaries and expenses, Office of Administrator, Agricultural Research Administration".....	77,806	-----	-----
Comparative transfer to—"Federal Extension Service".....	-1,800	-1,800	-----
"Salaries and expenses, Agricultural Research Service":.....	-----	-----	-----
Direct appropriation.....	-26,180,238	-26,688,200	-----
Reimbursements from non-Federal sources.....	-2,656,920	-2,613,900	-----
Reimbursements from other accounts.....	-645,058	-863,962	-----
Total obligations.....	-----	-----	-----

NOTE.—Reimbursements from non-Federal sources above are from meat-packing and veterinary biological establishments and importers for overtime work and travel performed (5 U. S. C. 576; 7 U. S. C. 394, 396) and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

##### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$2,345,398	\$2,002,720	\$2,048,720
Obligations incurred during the year.....	29,406,210	30,167,862	-----
Deduct:	31,751,608	32,170,582	2,048,720
Adjustment in obligations of prior years.....	120,020	-----	-----
Reimbursements.....	3,301,978	3,477,862	-----
Obligated balance carried to certified claims account.....	18,598	-----	-----
Unliquidated obligations, end of year.....	2,002,720	2,048,720	-----
Total expenditures.....	26,308,292	26,644,000	2,048,720
Expenditures are distributed as follows:	-----	-----	-----
Out of current authorizations.....	24,188,613	24,797,000	-----
Out of prior authorizations.....	2,119,679	1,847,000	2,048,720

#### 【BUREAU OF DAIRY INDUSTRY】

#### Salaries and Expenses, Bureau of Dairy Industry, Agricultural Research Administration

【For necessary expenses in carrying out the provisions of the Act of May 29, 1924 (7 U. S. C. 401-404), including investigations, experiments, and demonstrations in dairy industry, the applicable provisions of the Act of May 9, 1902 (26 U. S. C. 2325, 2326 (c)), relating to process or renovated butter, as amended, and the Act of May 23, 1908 (21 U. S. C. 94 (a)), insofar as it relates to the exportation of process or renovated butter, \$1,659,500.】 (5 U. S. C. 511; 7 U. S. C. 385, 385a, 421-422a; Department of Agriculture Appropriation Act, 1954.)

#### Appropriated 1954, \$1,659,500

#### Appropriated (adjusted) 1954, \$1,656,300

NOTE.—Estimate of \$1,795,500 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Agricultural Research Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

##### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$1,572,755	\$1,659,500	-----
Transferred to "Salaries and expenses, Extension Service," pursuant to Public Law 286.....	-----	-3,200	-----
Adjusted appropriation or estimate.....	1,572,755	1,656,300	-----
Reimbursements from non-Federal sources.....	988	500	-----
Reimbursements from other accounts.....	3,106	3,500	-----
Total available for obligation.....	1,576,849	1,660,300	-----
Unobligated balance, estimated savings.....	-14,556	-----	-----
Obligations incurred.....	1,562,293	1,660,300	-----
Comparative transfer from "Salaries and expenses, Office of Administrator, Agricultural Research Administration".....	17,800	-----	-----
Comparative transfer to "Salaries and expenses, Agricultural Research Service":.....	-----	-----	-----
Direct appropriation.....	-1,575,999	-1,656,300	-----
Reimbursements from non-Federal sources.....	-988	-500	-----
Reimbursements from other accounts.....	-3,106	-3,500	-----
Total obligations.....	-----	-----	-----

NOTE.—Reimbursements from non-Federal sources are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

##### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$195,120	\$170,727	\$179,027
Obligations incurred during the year.....	1,562,293	1,660,300	-----
Deduct:	1,757,413	1,831,027	179,027
Adjustment in obligations of prior years.....	8,295	-----	-----
Reimbursements.....	4,094	4,000	-----
Obligated balance carried to certified claims account.....	251	-----	-----
Unliquidated obligations, end of year.....	170,727	179,027	-----
Total expenditures.....	1,574,046	1,648,000	179,027
Expenditures are distributed as follows:	-----	-----	-----
Out of current authorizations.....	1,394,530	1,483,500	-----
Out of prior authorizations.....	179,516	164,500	179,027

#### 【BUREAU OF AGRICULTURAL AND INDUSTRIAL CHEMISTRY】

#### Salaries and Expenses, Bureau of Agricultural and Industrial Chemistry, Agricultural Research Administration

【For expenses necessary for investigations, experiments, and demonstrations established under the provisions of section 202 (a) to 202 (e), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U. S. C. 1292); for the development of new and extended food, feed, and industrial uses for agricultural commodities, both plant and animal, and potential replacement crops, and processing, biological, chemical, physical, pharmacological, toxicological, and technological investigation thereof, \$7,725,000.】 (Department of Agriculture Appropriation Act, 1954.)

#### Appropriated 1954, \$7,725,000

NOTE.—Estimate of \$8,400,000 for activities previously carried under this title has been transferred in the estimates to "Salaries and expenses, Agricultural Research Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

##### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$7,499,522	\$7,725,000	-----
Reimbursements from non-Federal sources.....	2,214	1,200	-----
Reimbursements from other accounts.....	603	-----	-----
Total available for obligation.....	7,502,339	7,726,200	-----
Unobligated balance, estimated savings.....	-230,234	-----	-----
Obligations incurred.....	7,272,105	7,726,200	-----
Comparative transfer to "Salaries and expenses, Agricultural Research Service":.....	-----	-----	-----
Direct appropriation.....	-7,269,288	-7,725,000	-----
Reimbursements from non-Federal sources.....	-2,214	-1,200	-----
Reimbursements from other accounts.....	-603	-----	-----
Total obligations.....	-----	-----	-----

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).



## [AGRICULTURAL RESEARCH ADMINISTRATION]—Continued

### [BUREAU OF AGRICULTURAL AND INDUSTRIAL CHEMISTRY]—Con.

#### Salaries and Expenses, Bureau of Agricultural and Industrial Chemistry, Agricultural Research Administration—Continued

##### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,504,427	\$1,468,145	\$1,524,045
Obligations incurred during the year.....	7,272,105	7,726,200	
	8,776,532	9,194,345	1,524,045
Deduct:			
Adjustment in obligations of prior years.....	46,260		
Reimbursements.....	2,817	1,200	
Obligated balance carried to certified claims account.....	6,681		
Unliquidated obligations, end of year.....	1,468,145	1,524,045	196,045
Total expenditures.....	7,252,629	7,669,100	1,328,000
Expenditures are distributed as follows:			
Out of current authorizations.....	6,178,268	6,764,100	
Out of prior authorizations.....	1,074,361	905,000	1,328,000

### [BUREAU OF PLANT INDUSTRY, SOILS, AND AGRICULTURAL ENGINEERING]

#### Salaries and Expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration

[Plant, soil, and agricultural engineering research: For expenses necessary for investigations, experiments, and demonstrations concerning plants, soils, and agricultural engineering, including those related to the production, improvement, handling, processing, transportation, and storage of farm and other crops; control of weeds, plant diseases, and nematodes; discovery and introduction of new and useful plants, both foreign and native; soil and water management to improve soil productivity and to conserve soil and water resources; the relation of soils to plant, animal, and human nutrition; fertilizers, liming materials, and soil amendments; farm machinery and processing equipment; farm buildings, and farm electrification; and for the operation and maintenance of airplanes; \$12,074,000.]

[National Arboretum: For the maintenance and development of the National Arboretum established under the provisions of the Act approved March 4, 1927 (20 U. S. C. 191-194), \$174,000.] (5 U. S. C. 511-512, 524, 563, 564; Department of Agriculture Appropriation Act, 1954.)

Appropriated 1954, \$12,248,000

NOTE.—Estimate of \$13,105,000 for activities previously carried under this title has been transferred in the estimates to the following appropriations:  
 "Salaries and expenses, Agricultural Research Service"..... \$12,189,860  
 "Salaries and expenses, Forest Service"..... 447,500  
 "Marketing research and service, Agricultural Marketing Service"..... 467,640  
 Excludes \$25,000 for activities transferred in the estimates to "Federal Extension Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

##### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$11,613,128	\$12,248,000	
Transferred to—			
"Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration," pursuant to 5 U. S. C. 568b.....	—5,000		
"Conservation operations, Soil Conservation Service," pursuant to Reorganization Plan No. 1 of 1947.....	—128,626		
Adjusted appropriation or estimate.....	11,479,502	12,248,000	
Reimbursements from non-Federal sources.....	24,577	24,000	
Reimbursements from other accounts.....	185,271	150,264	
Total available for obligation.....	11,689,350	12,422,264	
Unobligated balance, estimated savings.....	—60,582		
Obligations incurred.....	11,628,768	12,422,264	
Comparative transfer from "Salaries and expenses, Office of Administrator, Agricultural Research Administration".....	93,000		
Comparative transfer to—			
"Federal Extension Service".....	—47,570	—25,000	
"Marketing research and service, Agricultural Marketing Service":			
Direct appropriation.....	—454,451	—467,640	
Reimbursements from non-Federal sources.....		—500	
Reimbursements from other accounts.....	—103	—100	

##### AMOUNTS AVAILABLE FOR OBLIGATION—continued

	1953 actual	1954 estimate	1955 estimate
Comparative transfer to—Continued			
"Salaries and expenses, Forest Service":			
Direct appropriation.....	—\$399,319	—\$447,500	
Reimbursements from non-Federal sources.....	—1,323	—1,000	
Reimbursements from other accounts.....	—24,318	—14,000	
"Salaries and expenses, Agricultural Research Service":			
Direct appropriation.....	—10,610,580	—11,307,860	
Reimbursements from non-Federal sources.....	—23,254	—22,500	
Reimbursements from other accounts.....	—160,850	—136,164	
Total obligations.....			

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

##### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,915,540	\$1,787,021	\$1,735,021
Obligations incurred during the year.....	11,628,768	12,422,264	
	13,544,308	14,209,285	1,735,021
Deduct:			
Adjustment in obligations of prior years.....	15,599		
Reimbursements.....	209,848	174,264	
Obligated balance carried to certified claims account.....	142,110		
Unliquidated obligations, end of year.....	1,787,021	1,735,021	
Total expenditures.....	11,389,730	12,300,000	1,735,021
Expenditures are distributed as follows:			
Out of current authorizations.....	9,953,201	10,700,000	
Out of prior authorizations.....	1,436,529	1,600,000	1,735,021

### [BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE]

#### Salaries and Expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration

[For expenses necessary for investigations, experiments, demonstrations, and surveys for the promotion of economic entomology, for investigating and ascertaining the best means of destroying insects and related pests injurious to agriculture, for importing useful and beneficial insects and bacterial, fungal, and other diseases of insects and related pests, for investigating and ascertaining the best means of destroying insects affecting man and animals, and the best ways of utilizing beneficial insects, for carrying into effect the provisions of the Plant Quarantine Act of August 20, 1912, as amended (7 U. S. C. 151-167), the Honey Bee Act (7 U. S. C. 281-283), the Insect Pest Act (7 U. S. C. 141-144), the Mexican Border Act (7 U. S. C. 149), the Act of May 9, 1938, relating to grasshoppers, Mormon crickets, and chinch bugs (7 U. S. C. 148-148c), and the Organic Act of 1944 (7 U. S. C. 147a), as amended, authorizing the eradication, control, and prevention of spread of injurious insects and plant pests; including the operation and maintenance of airplanes and the purchase (for emergency replacement only) of not to exceed one, as follows:]

[Insect investigations: For the investigation of insects affecting fruits, grapes, nuts, trees, shrubs, forests and forest products, truck and garden crops, cereal, forage and range crops, cotton, tobacco, sugar plants, ornamental and other plants and agricultural products, household possessions, and man and animals; for bee culture and apiary management; for classifying, identifying, and collecting information to determine the distribution and abundance of insects; for investigations in connection with introduction of natural enemies of injurious insects and related pests and for the exchange with other countries of useful and beneficial insects and other arthropods; for developing methods, equipment, and apparatus to aid in enforcing plant quarantines and in the eradication and control of insect pests and plant diseases; and for investigations of insecticides and fungicides, including methods of their manufacture and use and the effects of their application; \$3,982,830: Provided, That of the amount allotted for oriental fruitfly, not to exceed \$250,000 may be used for contracts with public or private agencies for research in accordance with section 10 (a) of the Act of August 14, 1946 (7 U. S. C. 427i), and the amounts obligated for contract research shall remain available until expended.]

[Insect and plant-disease control: For carrying out operations or measures to eradicate, suppress, control, or to prevent or retard the spread of Japanese beetle, sweetpotato weevil, Mexican fruitflies, phony peach and peach mosaic, cereal rusts, pink bollworm and Thurberia weevil, golden nematode, citrus blackfly, white-



fringed beetle, Hall scale, and gypsy and brown-tail moths, and grasshoppers, Mormon crickets, and chinch bugs in accordance with the Act of May 9, 1938 (7 U. S. C. 148-148e), including the enforcement of quarantine regulations and cooperation with States to enforce plant quarantines as authorized by the Plant Quarantine Act of August 20, 1912, as amended (7 U. S. C. 151-167), and including the establishment of such cotton-free areas as may be necessary to stamp out any infestation of the pink bollworm as authorized by the Act of February 8, 1930 (46 Stat. 67), and for cooperation with States in the compensation of growers for losses resulting from the destruction of or for not planting potatoes and tomatoes on lands infested or exposed to infestations of the golden nematode for the purpose authorized by the Golden Nematode Act (7 U. S. C. 150-150g), \$5,487,000: *Provided*, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm crops, or other property injured or destroyed, except potatoes and tomatoes as authorized under the Golden Nematode Act: *Provided further*, That in the discretion of the Secretary, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose, or for barberry eradication until a sum or sums at least equal to such expenditures shall have been appropriated, subscribed, or contributed by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act.]

【Plant quarantines: For operations against the introduction of insect pests or plant diseases into the United States, including the enforcement of foreign-plant quarantines and regulations promulgated under sections 5 and 7 of the Plant Quarantine Act of August 20, 1912, as amended (7 U. S. C. 151-167), the Insect Pest Act of 1905 (7 U. S. C. 141-144), and the Mexican Border Act of 1942 (7 U. S. C. 149), for enforcement of domestic-plant quarantines as they pertain to Territories and districts of the United States, for the enforcement of plant quarantines through inspection in transit, including the interception and disposition of materials found to have been transported in violation of Federal plant quarantine laws or regulations, and operations under the Terminal Inspection Act (7 U. S. C. 166), and enforcement of regulations governing the movement of plants into and from the District of Columbia promulgated under section 15 of the Plant Quarantine Act of August 20, 1912, as amended, and for inspection and certification of plants and plant products to meet the sanitary requirements of foreign countries, as authorized in section 102 of the Organic Act of 1944 (7 U. S. C. 147a), \$2,675,000.】

【Emergency outbreaks of insects and plant diseases: For expenses necessary to carry out the provisions of the joint resolution approved May 9, 1938 (7 U. S. C. 148-148c), including the operation and maintenance of airplanes, control operations in Canada in cooperation with the Canadian Government or local Canadian authorities, and the employment of Canadian citizens \$600,000, which shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said joint resolution to the extent necessary to meet emergency conditions.】 (5 U. S. C. 511-512, 563-564; 7 U. S. C. 145-148a, 148c-e; 16 U. S. C. 581-581c; *Public Res. 47*, approved May 21, 1928; *Public Res. 42*, approved Feb. 8, 1930; *Department of Agriculture Appropriation Act, 1954*.)

Appropriated 1954, \$12,744,830

NOTE.—Estimate of \$10,880,045 for activities previously carried under this title has been transferred in the estimates to the following appropriations:

"Salaries and expenses, Agricultural Research Service".....	\$10,104,982
"Salaries and expenses, Forest Service".....	612,100
"Marketing research and service, Agricultural Marketing Service".....	162,963

Excludes \$3,785 for activities transferred in the estimates to "Federal Extension Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

#### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$12,167,368	\$12,744,830	-----
Transferred from "Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration," pursuant to 5 U. S. C. 568b.....	5,000	-----	-----
Adjusted appropriation or estimate.....	12,172,368	12,744,830	-----
Reimbursements from non-Federal sources.....	107,345	88,600	-----
Reimbursements from other accounts.....	25,943	-----	-----
Total available for obligation.....	12,305,656	12,833,430	-----
Unobligated balance, estimated savings.....	-194,933	-----	-----
Obligations incurred.....	12,110,723	12,833,430	-----
Comparative transfer from— "Salaries and expenses, Office of Administrator, Agricultural Research Administration".....	16,800	-----	-----

#### AMOUNTS AVAILABLE FOR OBLIGATION—continued

	1953 actual	1954 estimate	1955 estimate
Comparative transfer from—Continued "Control of emergency outbreaks of insects and plant diseases, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration".....	\$366,255	-----	-----
Comparative transfer to— "Federal Extension Service".....	-3,785	-\$3,785	-----
"Salaries and expenses, Forest Service": Direct appropriation.....	-451,760	-462,100	-----
Reimbursements from non-Federal sources.....	-1,004	-----	-----
"Marketing research and service, Agricultural Marketing Service": Direct appropriation.....	-131,707	-162,963	-----
Reimbursements from non-Federal sources.....	-125	-----	-----
"Salaries and expenses, Agricultural Research Service": Direct appropriation.....	-11,773,238	-12,115,982	-----
Reimbursements from non-Federal sources.....	-106,216	-88,600	-----
Reimbursements from other accounts.....	-25,943	-----	-----
Total obligations.....	-----	-----	-----

NOTE.—Reimbursements from non-Federal sources above are from payments by non-Federal agencies for services of plant quarantine inspectors performed outside regular hours of duty (7 U. S. C. 576); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,176,015	\$1,286,347	\$1,556,177
Obligations incurred during the year.....	12,110,723	12,833,430	-----
Deduct: 13,286,738	13,286,738	14,119,777	1,556,177
Adjustment in obligations of prior years.....	48,659	-----	-----
Reimbursements.....	133,288	88,600	-----
Obligated balance carried to certified claims account.....	8,690	-----	-----
Unliquidated obligations, end of year.....	1,286,347	1,556,177	-----
Total expenditures.....	11,809,754	12,475,000	1,556,177
Expenditures are distributed as follows: Out of current authorizations.....	10,774,585	11,325,000	-----
Out of prior authorizations.....	1,035,169	1,150,000	1,556,177

#### Miscellaneous

*Control of Emergency Outbreaks of Insects and Plant Diseases, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration*

#### AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$1,000,000	-----	-----
Transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," pursuant to 66 Stat. 354.....	-500,000	-----	-----
Adjusted appropriation or estimate.....	500,000	-----	-----
Unobligated balance, estimated savings.....	-133,745	-----	-----
Obligations incurred.....	366,255	-----	-----
Comparative transfer to "Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration," insect and plant disease control.....	-366,255	-----	-----
Total obligations.....	-----	-----	-----

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$332,465	\$50,369	-----
Obligations incurred during the year.....	366,255	-----	-----
Deduct: 698,720	698,720	50,369	-----
Adjustment in obligations of prior years.....	13,759	-----	-----
Obligated balance carried to certified claims account.....	111,543	-----	-----
Unliquidated obligations, end of year.....	50,369	-----	-----
Total expenditures.....	523,049	50,369	-----
Expenditures are distributed as follows: Out of current authorizations.....	320,554	-----	-----
Out of prior authorizations.....	202,495	50,369	-----



## PERMANENT AUTHORIZATIONS

(Indefinite appropriation, special account, unless otherwise indicated)

## EXTENSION SERVICE

*Cooperative Agricultural Extension Work, Extension Service*  
(Permanent indefinite appropriation, general account)

Appropriated (estimate) 1954, \$4,711,200

NOTE.—Estimate of \$4,711,200 for activities previously carried under this title has been transferred in the estimates to "Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service." The amounts obligated in 1953 and 1954 are shown in the schedule as comparative transfers.

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate (obligations incurred).....	\$4,711,200	\$4,711,200	-----
Comparative transfer to "Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service".....	-4,711,200	-4,711,200	-----
Total obligations.....	-----	-----	-----

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year....	\$96	\$371	-----
Obligations incurred during the year.....	4,711,200	4,711,200	-----
	4,711,296	4,711,571	-----
Deduct:			
Adjustment in obligations of prior years.....	1,820	-----	-----
Unliquidated obligations, end of year.....	371	-----	-----
Total expenditures.....	4,709,105	4,711,571	-----
Expenditures are distributed as follows:			
Out of current authorizations.....	4,709,105	4,711,200	-----
Out of prior authorizations.....	-----	371	-----

## FOREST SERVICE

*Acquisition of Lands and Construction of Improvements, Coronado National Forest, Department of Agriculture*

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$16,177	\$16,173	-----
Balance available in subsequent year.....	-16,173	-----	-----
Obligations incurred.....	4	16,173	-----

## OBLIGATIONS BY ACTIVITIES

Acquisition of lands and construction of improvements—1953, \$4; 1954, \$16,173.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
08 Supplies and materials.....	\$4	-----	-----
10 Lands and structures.....	-----	\$16,173	-----
Obligations incurred.....	4	16,173	-----

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year....	-----	-----	\$2,173
Obligations incurred during the year.....	\$4	\$16,173	-----
	4	16,173	2,173
Deduct unliquidated obligations, end of year.....	-----	2,173	-----
Total expenditures (out of prior authorizations).....	4	14,000	2,173

Expenses, Brush Disposal, Forest Service

Appropriated (est.) 1954, \$2,600,000 Estimate 1955, \$2,600,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$2,497,511	\$2,600,000	\$2,600,000
Prior year balance available.....	1,708,508	2,273,315	2,273,315
Reimbursements from non-Federal sources.....	589	-----	-----
Reimbursements from other accounts.....	198	-----	-----
Total available for obligation.....	4,206,806	4,873,315	4,873,315
Balance available in subsequent year.....	-2,273,315	-2,273,315	-2,273,315
Obligations incurred.....	1,933,491	2,600,000	2,600,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Brush disposal.....	\$1,932,704	\$2,600,000	\$2,600,000
2. Obligations under reimbursements from non-Federal sources.....	589	-----	-----
Total direct obligations.....	1,933,293	2,600,000	2,600,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Brush disposal.....	198	-----	-----
Obligations incurred.....	1,933,491	2,600,000	2,600,000

## PROGRAM AND PERFORMANCE

Payments made for this purpose by purchasers of national-forest timber are used to dispose of slash and other debris that result from cutting operations (16 U. S. C. 490).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	40	40	40
Full-time equivalent of all other positions.....	293	441	441
Average number of all employees.....	393	553	553
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$3,805	\$3,966	\$3,988
Average grade.....	GS-4.8	GS-5.4	GS-5.4
Crafts, protective, and custodial grades:			
Average salary.....	\$3,417	\$3,502	\$3,502
Average grade.....	CPC-5.8	CPC-5.6	CPC-5.6
Ungraded positions: Average salary.....	\$3,496	\$3,500	\$3,500
Personal service obligations:			
Permanent positions.....	\$380,472	\$438,907	\$438,907
Other positions.....	962,144	1,436,365	1,436,365
Regular pay in excess of 52-week base.....	1,455	1,607	1,607
Payment above basic rates.....	59,016	25,000	25,000
Other payments for personal services.....	27,580	27,500	27,500
Total personal service obligations.....	1,430,667	1,929,379	1,929,379
<i>Direct Obligations</i>			
01 Personal services.....	1,430,469	1,929,379	1,929,379
02 Travel.....	3,912	6,530	6,530
03 Transportation of things.....	15,933	18,500	18,500
04 Communication services.....	4,285	9,000	9,500
05 Reuts and utility services.....	11,731	13,600	13,600
07 Other contractual services.....	111,339	140,000	140,000
Services performed by other agencies.....	1,172	1,200	1,200
08 Supplies and materials.....	240,887	322,191	321,691
09 Equipment.....	102,761	125,000	125,000
10 Lands and structures.....	4,114	25,000	25,000
13 Refunds, awards, and indemnities.....	90	100	100
15 Taxes and assessments.....	16,170	20,000	20,000
Subtotal.....	1,942,893	2,610,500	2,610,500
Deduct charges for quarters and subsistence.....	9,600	10,500	10,500
Total direct obligations.....	1,933,293	2,600,000	2,600,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	198	-----	-----
Obligations incurred.....	1,933,491	2,600,000	2,600,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$104,173	\$268,985	\$368,985
Obligations incurred during the year.....	1,933,491	2,600,000	2,600,000
	2,037,664	2,868,985	2,968,985
Deduct:			
Reimbursements.....	787		
Unliquidated obligations, end of year.....	268,985	368,985	388,985
Total expenditures (out of prior authorizations).....	1,767,892	2,500,000	2,580,000

*Forest Fire Prevention, Forest Service*Appropriated (estimate) 1954, **\$25,000** Estimate 1955, **\$35,000**

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$8,785	\$25,000	\$35,000
Prior year balance available.....		8,785	
Total available for obligation.....	8,785	33,785	35,000
Balance available in subsequent year.....	-8,785		
Obligations incurred.....		33,785	35,000

## OBLIGATIONS BY ACTIVITIES

Forest-fire prevention—1954, \$33,785; 1955, \$35,000.

## PROGRAM AND PERFORMANCE

Fees for the use of the character "Smokey Bear" by private enterprises are collected under regulations promulgated by the Secretary of Agriculture and are available for furthering the nationwide forest-fire prevention campaign (66 Stat. 92).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....		1	1
Average number of all employees.....		1	1
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$3,415	\$3,495
Average grade.....		GS-4.0	GS-4.0
01 Personal services:			
Permanent positions.....		\$3,415	\$3,495
Regular pay in excess of 52-week base.....		13	13
Total personal services.....		3,428	3,508
02 Travel.....		300	300
03 Transportation of things.....		500	500
04 Communication services.....		300	300
06 Printing and reproduction.....		28,757	29,892
08 Supplies and materials.....		500	500
Obligations incurred.....		33,785	35,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....			\$3,785
Obligations incurred during the year.....		\$33,785	35,000
		33,785	38,785
Deduct unliquidated obligations, end of year.....		3,785	5,285
Total expenditures.....		30,000	33,500
Expenditures are distributed as follows:			
Out of current authorizations.....		22,000	30,000
Out of prior authorizations.....		8,000	3,500

*Payment to Minnesota (Cook, Lake, and St. Louis Counties) From the National Forests Fund*Appropriated (estimate) 1954, **\$45,332** Estimate 1955, **\$45,332**

## AMOUNTS AVAILABLE FOR OBLIGATION

Appropriation or estimate (obligations incurred)—1953, \$45,006; 1954, \$45,332; 1955, \$45,332.

## OBLIGATIONS BY ACTIVITIES

Payment to Minnesota (Cook, Lake, and St. Louis Counties) from the national forests fund—1953, \$45,006; 1954, \$45,332; 1955, \$45,332.

## PROGRAM AND PERFORMANCE

At the close of each fiscal year the State of Minnesota is paid an amount equivalent to three-fourths of 1 percent of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and St. Louis for distribution to these counties (16 U. S. C. 577g).

## OBLIGATIONS BY OBJECTS

11 Grants, subsidies, and contributions—1953, \$45,006; 1954, \$45,332; 1955, \$45,332.

## ANALYSIS OF EXPENDITURES

Obligations incurred during the year (total expenditures out of current authorizations)—1953, \$45,006; 1954, \$45,332; 1955, \$45,332.

*Payments Due Counties, Submarginal Land Program, Farm Tenant Act*Appropriated (estimate) 1954, **\$437,500** Estimate 1955, **\$362,500**

## AMOUNTS AVAILABLE FOR OBLIGATION

Appropriation or estimate (obligations incurred)—1953, \$448,049; 1954, \$437,500; 1955, \$362,500.

## OBLIGATIONS BY ACTIVITIES

Payments due counties—1953, \$448,049; 1954, \$437,500; 1955, \$362,500.

## PROGRAM AND PERFORMANCE

Of the revenues received from the use of submarginal lands (7 U. S. C. 1021), 25 percent is paid to the counties in which such land is situated, to be used for school and road purposes.

## OBLIGATIONS BY OBJECTS

11 Grants, subsidies, and contributions—1953, \$448,049; 1954, \$437,500; 1955, \$362,500.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$3		
Obligations incurred during the year.....	448,049	\$437,500	\$362,500
Total expenditures.....	448,052	437,500	362,500
Expenditures are distributed as follows:			
Out of current authorizations.....	448,052	437,500	362,500
Out of prior authorizations.....			

*Payments to School Funds, Arizona and New Mexico, Act of June 20, 1910 (Receipt Limitation)*

(Permanent indefinite appropriation, general account)

Appropriated (estimate) 1954, **\$122,755** Estimate 1955, **\$122,755**

## AMOUNTS AVAILABLE FOR OBLIGATION

Appropriation or estimate (obligations incurred)—1953, \$131,588; 1954, \$122,755; 1955, \$122,755.

## OBLIGATIONS BY ACTIVITIES

Payments to school funds, Arizona and New Mexico, act of June 20, 1910—1953, \$131,588; 1954, \$122,755; 1955, \$122,755.

## PROGRAM AND PERFORMANCE

The States of Arizona and New Mexico are paid a share of the national-forest receipts for school purposes (36 Stat. 562, 573).

## OBLIGATIONS BY OBJECTS

11 Grants, subsidies, and contributions—1953, \$131,588; 1954, \$122,755; 1955, \$122,755.

## ANALYSIS OF EXPENDITURES

Obligations incurred during the year (total expenditures out of current authorizations)—1953, \$131,588; 1954, \$122,755; 1955, \$122,755.



**FOREST SERVICE—Continued***Payments to States and Territories From the National Forests Fund*

Appropriated (est.) 1954, \$18,649,794 Estimate 1955, \$18,800,000

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$17,377,877	\$18,649,794	\$18,800,000
Prior year balance available.....	28,203		
Obligations incurred.....	17,406,080	18,649,794	18,800,000

**OBLIGATIONS BY ACTIVITIES**

Payments to States and Territories from the national forests fund—1953, \$17,406,080; 1954, \$18,649,794; 1955, \$18,800,000.

**PROGRAM AND PERFORMANCE**

With minor exceptions, 25 percent of the money received from the national forests each fiscal year is paid to the States and Territories for the benefit of public schools and roads of the county in which such national forests are situated (16 U. S. C. 500).

**OBLIGATIONS BY OBJECTS**

11 Grants, subsidies, and contributions—1953, \$17,406,080; 1954, \$18,649,794; 1955, \$18,800,000.

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$26,760	\$449	
Obligations incurred during the year.....	17,406,080	18,649,794	\$18,800,000
	17,432,840	18,650,243	18,800,000
Deduct unliquidated obligations, end of year.....	449		
Total expenditures.....	17,432,391	18,650,243	18,800,000
Expenditures are distributed as follows:			
Out of current authorizations.....	17,432,391	18,649,794	18,800,000
Out of prior authorizations.....			

*Roads and Trails for States, National Forests Fund*

Appropriated (est.) 1954, \$7,460,971 Estimate 1955, \$7,520,000

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$6,952,610	\$7,460,971	\$7,520,000
Prior year balance available.....	5,076,583	1,333,455	
Reimbursements from non-Federal sources.....	8,456	10,000	10,000
Reimbursements from other accounts.....	39,005	90,000	90,000
Total available for obligation.....	12,076,654	8,894,426	7,620,000
Balance available in subsequent year.....	-1,333,455		
Obligations incurred.....	10,743,199	8,894,426	7,620,000

NOTE.—Reimbursements from non-Federal sources above are from rental of equipment and sale of equipment, supplies, and materials to non-Federal agencies which cooperate with the Forest Service in fire control under terms of written cooperative agreements (16 U. S. C. 580, 580a); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

**OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Construction.....	\$8,371,482	\$7,194,426	\$5,820,000
2. Maintenance.....	2,324,256	1,600,000	1,700,000
3. Obligations under reimbursements from non-Federal sources.....	8,456	10,000	10,000
Total direct obligations.....	10,704,194	8,804,426	7,530,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Construction.....	22,070	72,500	72,500
4. Rental of equipment to and repair of equipment for other activities of the Forest Service and other Federal agencies.....	4,870	5,000	5,000

**OBLIGATIONS BY ACTIVITIES—continued**

Description	1953 actual	1954 estimate	1955 estimate
<i>Obligations Payable Out of Reimbursements From Other Accounts—Continued</i>			
5. Sale of supplies, materials, and equipment.....	\$12,065	\$12,500	\$12,500
Total obligations payable out of reimbursements from other accounts.....	39,005	90,000	90,000
Obligations incurred.....	10,743,199	8,894,426	7,620,000

**PROGRAM AND PERFORMANCE**

Ten percent of the amounts annually received from national-forest activities is available for the construction and maintenance of roads and trails within the individual forest from which such proceeds are derived (16 U. S. C. 501).

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
<b>FOREST SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	414	395	395
Full-time equivalent of all other positions.....	512	455	455
Average number of all employees.....	983	883	882
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,417	\$4,521	\$4,544
Average grade.....	GS-6.3	GS-6.4	GS-6.4
Crafts, protective, and custodial grades:			
Average salary.....	\$3,882	\$3,837	\$3,849
Average grade.....	CPC-6.9	CPC-7.1	CPC-7.1
Ungraded positions: Average salary.....	\$3,311	\$3,312	\$3,312
Personal service obligations:			
Permanent positions.....	\$1,861,638	\$1,672,892	\$1,672,892
Other positions.....	1,482,573	1,330,442	1,330,442
Regular pay in excess of 52-week base.....	7,160	6,435	6,435
Payment above basic rates.....	22,626	18,405	18,405
Other payments for personal services.....	119		
Total personal service obligations.....	3,374,116	3,028,174	3,023,174
<i>Direct Obligations</i>			
01 Personal services.....	3,366,996	2,999,224	2,999,224
02 Travel.....	93,370	81,500	81,500
03 Transportation of things.....	30,166	26,100	26,100
04 Communication services.....	22,322	29,149	30,356
05 Rents and utility services.....	62,444	55,060	55,060
06 Printing and reproduction.....	387	225	225
07 Other contractual services.....	722,585	623,247	623,247
Services performed by other agencies.....	10,539	7,200	7,200
08 Supplies and materials.....	2,476,716	1,741,547	1,740,332
09 Equipment.....	34,969	35,000	35,000
10 Lands and structures.....	1,251,901	808,621	1,024,742
13 Refunds, awards, and indemnities.....	3,657	1,305	1,305
15 Taxes and assessments.....	25,908	21,895	21,895
Subtotal.....	8,101,960	6,430,073	7,546,186
Deduct charges for quarters and subsistence.....	19,863	16,186	16,186
Total direct obligations.....	8,082,097	6,413,887	7,530,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	7,120	28,950	28,950
02 Travel.....	464	2,550	2,550
03 Transportation of things.....	223	500	500
05 Rents and utility services.....	12	50	50
06 Printing and reproduction.....	214	250	250
07 Other contractual services.....	2,313	6,500	6,500
Services performed by other agencies.....	16		
08 Supplies and materials.....	28,637	50,450	50,450
09 Equipment.....		500	500
15 Taxes and assessments.....	6	250	250
Total obligations payable out of reimbursements from other accounts.....	39,005	90,000	90,000
Obligations incurred.....	8,121,102	6,503,887	7,620,000
<b>ALLOCATION TO BUREAU OF PUBLIC ROADS</b>			
Total number of permanent positions.....	40	20	
Full-time equivalent of all other positions.....	17	6	
Average number of all employees.....	53	18	

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOCATION TO BUREAU OF PUBLIC ROADS—continued</b>			
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,062	\$4,188	
Average grade.....	GS-6.2	GS-6.2	
<b>01 Personal services:</b>			
Permanent positions.....	\$143,644	\$50,000	
Other positions.....	54,212	18,000	
Regular pay in excess of 52-week base.....	732		
Payment above basic rates.....	7,933	2,000	
Total personal services.....	206,521	70,000	
<b>02 Travel.....</b>	9,783	4,000	
<b>03 Transportation of things.....</b>	2,616	1,000	
<b>04 Communication services.....</b>	82	100	
<b>05 Rents and utility services.....</b>	11,399	5,000	
<b>06 Printing and reproduction.....</b>	1,076	500	
<b>07 Other contractual services.....</b>	59,383	20,000	
<b>08 Supplies and materials.....</b>	136,697	45,000	
<b>10 Lands and structures.....</b>	2,193,556	2,244,439	
<b>15 Taxes and assessments.....</b>	1,333	500	
Subtotal.....	2,622,446	2,390,539	
Deduct charges for quarters and subsistence.....	349		
Obligations incurred.....	2,622,097	2,390,539	
<b>SUMMARY</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	454	415	395
Full-time equivalent of all other positions.....	529	461	455
Average number of all employees.....	1,036	901	882
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,343	\$4,480	\$4,544
Average grade.....	GS-6.2	GS-6.4	GS-6.4
Crafts, protective, and custodial grades:			
Average salary.....	\$3,882	\$3,837	\$3,849
Average grade.....	CPC-6.9	CPC-7.1	CPC-7.1
Ungraded positions: Average salary.....	\$3,311	\$3,312	\$3,312
Personal service obligations:			
Permanent positions.....	\$2,005,282	\$1,722,892	\$1,672,892
Other positions.....	1,536,785	1,348,442	1,330,442
Regular pay in excess of 52-week base.....	7,892	6,435	6,435
Payment above basic rates.....	30,559	20,405	18,405
Other payments for personal services.....	119		
Total personal service obligations.....	3,580,637	3,098,174	3,028,174
<i>Direct Obligations</i>			
<b>01 Personal services.....</b>	3,573,517	3,069,224	2,999,224
<b>02 Travel.....</b>	103,153	85,500	81,500
<b>03 Transportation of things.....</b>	32,782	27,100	26,100
<b>04 Communication services.....</b>	22,404	29,249	30,356
<b>05 Rents and utility services.....</b>	73,843	60,060	55,060
<b>06 Printing and reproduction.....</b>	1,463	725	225
<b>07 Other contractual services.....</b>	781,968	643,247	623,247
Services performed by other agencies.....	10,539	7,200	7,200
<b>08 Supplies and materials.....</b>	2,613,413	1,786,547	1,740,332
<b>09 Equipment.....</b>	34,969	35,000	35,000
<b>10 Lands and structures.....</b>	3,445,457	3,053,060	1,924,742
<b>13 Refunds, awards, and indemnities.....</b>	3,657	1,305	1,305
<b>15 Taxes and assessments.....</b>	27,241	22,395	21,895
Subtotal.....	10,724,406	8,820,612	7,546,186
Deduct charges for quarters and subsistence.....	20,212	16,186	16,186
Total direct obligations.....	10,704,194	8,804,426	7,530,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
<b>01 Personal services.....</b>	7,120	28,950	28,950
<b>02 Travel.....</b>	464	2,550	2,550
<b>03 Transportation of things.....</b>	223	500	500
<b>05 Rents and utility services.....</b>	12	50	50
<b>06 Printing and reproduction.....</b>	214	250	250
<b>07 Other contractual services.....</b>	2,313	6,500	6,500
Services performed by other agencies.....	16		
<b>08 Supplies and materials.....</b>	28,637	50,450	50,450
<b>09 Equipment.....</b>		500	500
<b>15 Taxes and assessments.....</b>	6	250	250
Total obligations payable out of reimbursements from other accounts.....	39,005	90,000	90,000
Obligations incurred.....	10,743,199	8,894,426	7,620,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,290,265	\$4,732,334	\$5,226,760
Obligations incurred during the year.....	10,743,199	8,894,426	7,620,000
	12,033,464	13,626,760	12,846,760
Deduct:			
Reimbursements.....	47,461	100,000	100,000
Unliquidated obligations, end of year.....	4,732,334	5,226,760	4,871,760
Total expenditures.....	7,253,669	8,300,000	7,875,000
Expenditures are distributed as follows:			
Out of current authorizations.....	7,253,669	3,300,000	3,550,000
Out of prior authorizations.....		5,000,000	4,325,000

## AGRICULTURAL MARKETING SERVICE

*Perishable Agricultural Commodities Act Fund, Department of Agriculture*

Appropriated (estimate) 1954, \$410,000 Estimate 1955, \$410,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$428,839	\$410,000	\$410,000
Prior year balance available.....	243,602	272,103	261,116
Total available for obligation.....	672,441	682,103	671,116
Balance available in subsequent years.....	-272,103	-261,116	-249,316
Obligations incurred.....	400,338	420,987	421,800

## OBLIGATIONS BY ACTIVITIES

Licensing dealers and handling complaints under the Perishable Agricultural Commodities, Produce Agency, and Export Apple and Pear Acts—1953, \$400,338; 1954, \$420,987; 1955, \$421,800.

## PROGRAM AND PERFORMANCE

The purpose of this special fund, into which license fees are deposited, is to administer the Perishable Agricultural Commodities, Produce Agency, and Export Apple and Pear Acts (7 U. S. C. 499a-499s, 491-497, 581-589).

These acts assure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by: (1) informal settlements agreeable to both parties, (2) formal decisions involving payments or reparation awards between parties, and (3) suspension or revocation of license or publication of the facts. About 25,450 licenses are now in effect, and complaints average about 50 per week.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	78	80	80
Average number of all employees.....	71	74	74
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,729	\$4,712	\$4,737
Average grade.....	GS-6.7	GS-6.5	GS-6.5
<b>01 Personal services:</b>			
Permanent positions.....	\$342,474	\$354,101	\$356,050
Regular pay in excess of 52-week base.....	1,317	1,360	1,366
Payment above basic rates.....	64	84	84
Total personal services.....	343,855	355,545	357,500
<b>02 Travel.....</b>	17,073	18,000	17,500
<b>03 Transportation of things.....</b>	1,465	1,300	1,200
<b>04 Communication services.....</b>	8,292	14,187	15,000
<b>05 Rents and utility services.....</b>	3,112	3,200	3,200
<b>06 Printing and reproduction.....</b>	1,415	1,650	1,650



**AGRICULTURAL MARKETING SERVICE—Con.**

*Perishable Agricultural Commodities Act Fund, Department of Agriculture—Continued*

**OBLIGATIONS BY OBJECTS—continued**

Object classification	1953 actual	1954 estimate	1955 estimate
07 Other contractual services.....	\$4,509	\$4,500	\$4,500
Services performed by other agencies.....	45	100	50
08 Supplies and materials.....	7,204	7,300	7,200
09 Equipment.....	8,282	8,000	7,800
13 Refunds, awards, and indemnities.....	4,571	6,600	5,600
15 Taxes and assessments.....	515	605	600
Obligations incurred.....	400,338	420,987	421,800

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$32,069	\$33,375	\$38,062
Obligations incurred during the year.....	400,338	420,987	421,800
	432,407	454,362	459,862
Deduct unliquidated obligations, end of year.....	33,375	38,062	38,562
Total expenditures.....	399,032	416,300	421,300
Expenditures are distributed as follows:			
Out of current authorizations.....	399,032	383,800	384,600
Out of prior authorizations.....		32,500	36,700

*Removal of Surplus Agricultural Commodities*  
(Indefinite appropriation, general account)

Appropriated (est.) 1954, **\$172,417,343** Estimate 1955, **\$180,000,000**  
Appropriated (adjusted) 1954, **\$169,954,002**

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$181,040,312	\$172,417,343	\$180,000,000
Transferred, pursuant to Public Law 286, to—			
“Salaries and expenses, Library, Agriculture”.....		—8,000	-----
“Salaries and expenses, Office of Information, Agriculture”.....		—3,500	-----
“Salaries and expenses, Extension Service”.....		—812,357	-----
“Agricultural adjustment programs, Commodity Stabilization Service”.....		—684,484	-----
“Salaries and expenses, marketing services, Production and Marketing Administration”.....		—955,000	-----
Adjusted appropriation or estimate.....	181,040,312	169,954,002	180,000,000
Prior year balance available.....	221,195,744	327,440,518	241,194,002
Reimbursements from other accounts.....	56,739	91,453	39,133
Total available for obligation.....	402,292,795	497,485,973	421,233,135
Balance available in subsequent year.....	—327,440,518	—241,194,002	—176,534,002
Carried to surplus.....		—27,440,518	-----
Obligations incurred.....	74,852,277	228,851,453	244,699,133

**OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Direct purchases.....	\$58,727,187	\$208,675,000	\$222,925,000
2. Encouragement of exportation.....	11,674,826	16,150,000	15,150,000
3. Diversion to byproducts and new uses.....	1,157,892	80,000	2,430,000
4. Surplus removal operating expenses.....	1,934,791	2,008,611	1,958,375
5. Marketing agreements and orders.....	1,187,313	1,200,000	1,200,000
6. Foreign market promotion.....	60,211	450,000	800,000
7. Import controls.....	53,318	196,389	196,625
Total direct obligations.....	74,795,538	228,760,000	244,660,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
4. Surplus removal operating expenses.....	56,739	91,453	39,133
Obligations incurred.....	74,852,277	228,851,453	244,699,133

**PROGRAM AND PERFORMANCE**

Under section 32 of the act approved August 24, 1935, as amended (7 U. S. C. 612c), an amount equal to 30 percent of customs receipts during each calendar year and unused balances to the extent of \$300,000,000 are available for the removal from the market of agricultural surpluses and for administration of marketing agreements and orders. To prevent price collapse of agricultural commodities and their ultimate waste, surpluses are removed from the market through purchase, export, and diversion programs.

1. *Direct purchases.*—Surplus agricultural commodities generally perishables, are purchased and distributed to the school lunch program, charitable institutions serving needy persons and persons certified by welfare agencies as eligible for relief.

2. *Encouragement of exportation.*—Differential payments are made to enable exporters to purchase surplus commodities on the domestic market and sell them on the world market at competitive world prices.

3. *Diversion to byproducts and new uses.*—Differential payments are made to enable processors to purchase surplus commodities on the domestic market, divert them to byproducts and new uses, and sell them at prices comparable to competing products, thus creating new markets for surplus commodities.

4. *Surplus removal operating expenses.*—These expenses are mainly in connection with purchasing, distributing, exporting, and diverting surplus commodities. In addition, supervisory assistance is furnished local and State groups on the preservation of surpluses for year-round use, and in cooperation with the food trade, press and radio, greater consumption of abundant foods is encouraged.

5. *Marketing agreements and orders.*—Voluntary arrangements between the Secretary and handlers of farm products, put into effect upon request from the industry after hearings, investigations, and referendums among producers, serve to strengthen prices by establishing and maintaining orderly marketing conditions. Orders are in effect for milk, tobacco, tree fruits, tree nuts, and vegetables. Administration at the local level is financed by assessments upon handlers.

6. *Foreign market promotion.*—Maintenance and expansion of foreign markets are promoted by: (1) Providing firsthand information on market situations, (2) negotiating with foreign governments in matters relating to international trade, and (3) placing United States exporters in contact with foreign importers.

7. *Import controls.*—Importation of articles which render ineffective, or tend to interfere with, programs carried out by the Department of Agriculture, is investigated and a brief with recommended action is then submitted to the President.

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
<b>AGRICULTURAL MARKETING SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	391	369	363
Full-time equivalent of all other positions.....	1	-----	-----
Average number of all employees.....	376	359	361
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,604	\$5,623	\$5,612
Average grade.....	GS-7.9	GS-7.9	GS-7.9



## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>AGRICULTURAL MARKETING SERVICE—CON.</b>			
<i>Summary of Personal Services—Continued</i>			
Personal service obligations:			
Permanent positions.....	\$2, 147, 878	\$2, 047, 581	\$2, 042, 775
Other positions.....	3, 140		
Regular pay in excess of 52-week base.....	8, 383	8, 032	7, 845
Payment above basic rates.....	479	502	588
Total personal service obligations.....	2, 159, 880	2, 056, 115	2, 051, 208
<i>Direct Obligations</i>			
01 Personal services.....	2, 107, 737	1, 975, 736	2, 016, 575
02 Travel.....	130, 393	120, 000	125, 000
03 Transportation of things.....	7, 147	3, 500	3, 500
04 Communication services.....	50, 402	61, 375	65, 000
05 Rents and utility services.....	39, 758	25, 000	25, 000
06 Printing and reproduction.....	39, 747	40, 000	40, 000
07 Other contractual services:			
Services performed by other agencies.....	3, 945		
Other.....	21, 503	20, 000	20, 000
08 Supplies and materials.....	16, 900	10, 000	10, 000
09 Equipment.....	3, 759	5, 000	5, 000
13 Refunds, awards, and indemnities.....	167	200	500
15 Taxes and assessments.....	2, 129	2, 000	2, 000
Total direct obligations.....	2, 423, 587	2, 262, 811	2, 312, 575
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	52, 143	80, 379	34, 633
02 Travel.....	1, 724	4, 800	3, 000
03 Transportation of things.....	3	50	
04 Communication services.....	827	2, 200	700
05 Rents and utility services.....	4	15	
06 Printing and reproduction.....	13	125	100
07 Other contractual services.....	303	700	200
08 Supplies and materials.....	1, 683	2, 943	450
15 Taxes and assessments.....	39	241	50
Total obligations payable out of reimbursements from other accounts.....	56, 739	91, 453	39, 133
Obligations incurred.....	2, 480, 326	2, 354, 264	2, 351, 708
<b>ALLOTMENT TO FOREIGN AGRICULTURAL SERVICE</b>			
Total number of permanent positions.....	17	138	138
Average number of all employees.....	17	87	132
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6, 931	\$6, 193	\$6, 216
Average grade.....	GS-9.9	GS-8.9	GS-8.9
01 Personal services:			
Permanent positions.....	\$111, 302	\$534, 865	\$821, 800
Regular pay in excess of 52-week base.....	349	2, 000	3, 000
Payment above basic rates.....	17		
Other payments for personal services.....		9, 635	
Total personal services.....	111, 668	546, 500	824, 800
02 Travel.....	65	60, 700	102, 500
03 Transportation of things.....		4, 000	5, 000
04 Communication services.....	620	11, 000	25, 000
06 Printing and reproduction.....	704	8, 500	18, 000
07 Other contractual services:			
Services performed by other agencies.....		1, 500	1, 500
Other.....		6, 500	3, 500
08 Supplies and materials.....	282	5, 500	9, 500
09 Equipment.....	100	1, 500	5, 725
15 Taxes and assessments.....	90	689	1, 100
Obligations incurred.....	113, 529	646, 389	996, 625
<b>ALLOCATION TO COMMODITY STABILIZATION SERVICE</b>			
Total number of permanent positions.....	90	145	145
Average number of all employees.....	77	128	128
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 370	\$4, 206	\$4, 191
Average grade.....	GS-5.6	GS-5.2	GS-5.2
01 Personal services:			
Permanent positions.....	\$363, 504	\$604, 874	\$604, 874
Regular pay in excess of 52-week base.....	1, 396	2, 326	2, 326
Payment above basic rates.....	1, 391		
Total personal services.....	366, 291	607, 200	607, 200
02 Travel.....	14, 042	23, 230	23, 230

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOCATION TO COMMODITY STABILIZATION SERVICE—continued</b>			
03 Transportation of things.....	\$2, 385	\$3, 980	\$3, 980
04 Communication services.....	9, 007	15, 260	15, 260
05 Rents and utility services.....	11, 637	7, 200	7, 200
06 Printing and reproduction.....	786	1, 330	1, 330
07 Other contractual services:			
Advanced to—			
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938,” pursuant to 7 U. S. C. 1392.....	104, 000	50, 000	
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture,” pursuant to 7 U. S. C. 1388.....	10, 000	50, 000	
Other.....	1, 729	2, 650	2, 650
08 Supplies and materials.....	2, 926	4, 640	4, 640
09 Equipment.....	2, 350	3, 980	3, 980
11 Grants, subsidies, and contributions.....	71, 559, 905	224, 905, 000	240, 505, 000
15 Taxes and assessments.....	767	1, 330	1, 330
Obligations incurred.....	72, 085, 825	225, 675, 800	241, 175, 800
<b>ALLOCATION TO FISH AND WILDLIFE SERVICE</b>			
Total number of permanent positions.....	26	26	25
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	26	25	25
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 850	\$5, 115	\$5, 205
Average grade.....	GS-7.3	GS-7.5	GS-7.5
01 Personal services:			
Permanent positions.....	\$119, 266	\$124, 769	\$125, 087
Other positions.....	3, 816	1, 442	1, 450
Regular pay in excess of 52-week base.....	374	473	479
Payment above basic rates.....	1, 409	1, 177	1, 208
Total personal services.....	124, 865	127, 861	128, 224
02 Travel.....	17, 085	14, 450	14, 950
03 Transportation of things.....	1, 783	1, 350	1, 300
04 Communication services.....	1, 998	3, 200	2, 928
05 Rents and utility services.....	2, 961	3, 150	3, 050
06 Printing and reproduction.....	10, 633	10, 650	10, 305
07 Other contractual services.....	2, 637	4, 978	4, 975
08 Supplies and materials.....	7, 788	7, 285	7, 350
09 Equipment.....	2, 412	1, 610	1, 500
15 Taxes and assessments.....	435	466	418
Obligations incurred.....	172, 597	175, 000	175, 000
<b>SUMMARY</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	524	678	671
Full-time equivalent of all other positions.....	2	1	1
Average number of all employees.....	496	599	646
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5, 611	\$5, 740	\$5, 745
Average grade.....	GS-7.9	GS-8.1	GS-8.1
Personal service obligations:			
Permanent positions.....	\$2, 741, 950	\$3, 312, 089	\$3, 594, 536
Other positions.....	6, 956	1, 442	1, 450
Regular pay in excess of 52-week base.....	10, 502	12, 831	13, 650
Payment above basic rates.....	3, 296	1, 679	1, 796
Other payments for personal services.....		9, 635	
Total personal service obligations.....	2, 762, 704	3, 337, 676	3, 611, 432
<i>Direct Obligations</i>			
01 Personal services.....	2, 710, 561	3, 257, 297	3, 576, 799
02 Travel.....	161, 585	218, 380	265, 680
03 Transportation of things.....	11, 315	12, 830	13, 780
04 Communication services.....	62, 027	90, 835	108, 188
05 Rents and utility services.....	54, 356	35, 350	35, 250
06 Printing and reproduction.....	51, 870	60, 480	69, 635
07 Other contractual services:			
Advanced to—			
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938,” pursuant to 7 U. S. C. 1392.....	104, 000	50, 000	
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture,” pursuant to 7 U. S. C. 1388.....	10, 000	50, 000	
Services performed by other agencies.....	3, 945	6, 500	3, 500
Other.....	25, 869	29, 128	29, 125



**AGRICULTURAL MARKETING SERVICE—Continued****Removal of Surplus Agricultural Commodities—Continued**  
(Indefinite appropriation, general account)—Continued**OBLIGATIONS BY OBJECTS—continued**

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY—continued</b>			
<i>Direct Obligations—Continued</i>			
08 Supplies and materials.....	\$27,896	\$27,425	\$31,490
09 Equipment.....	8,621	12,090	16,205
11 Grants, subsidies, and contributions..	71,559,905	224,905,000	240,505,000
13 Refunds, awards, and indemnities.....	167	200	500
15 Taxes and assessments.....	3,421	4,485	4,848
Total direct obligations.....	74,795,538	228,760,000	241,660,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	52,143	80,379	34,633
02 Travel.....	1,724	4,800	3,000
03 Transportation of things.....	3	50	-----
04 Communication services.....	827	2,200	700
05 Rents and utility services.....	4	15	-----
06 Printing and reproduction.....	13	125	100
07 Other contractual services.....	303	700	200
08 Supplies and materials.....	1,683	2,943	450

**OBLIGATIONS BY OBJECTS—continued**

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Obligations Payable Out of Reimbursements From Other Accounts—Continued</i>			
15 Taxes and assessments.....	\$39	\$241	\$50
Total obligations payable out of reimbursements from other accounts.....	56,739	91,453	39,133
Obligations incurred.....	74,852,277	228,851,453	244,699,133

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$22,152,249	\$14,663,087	\$38,451,087
Obligations incurred during the year.....	74,852,277	228,851,453	244,699,133
Deduct:	97,004,526	243,514,540	283,150,220
Reimbursements.....	56,739	91,453	39,133
Unliquidated obligations, end of year.....	14,663,087	38,451,087	50,001,687
Total expenditures.....	82,284,700	201,972,000	233,109,400
Expenditures are distributed as follows:			
Out of current authorizations.....	82,284,700	169,954,002	180,000,000
Out of prior authorizations.....	-----	35,017,998	53,109,400

**REVOLVING AND MANAGEMENT FUNDS****PUBLIC ENTERPRISE FUNDS****COMMODITY CREDIT CORPORATION**

(Submitted under the Government Corporation Control Act)

*Commodity Credit Corporation***BUDGETARY AUTHORIZATION SCHEDULES****AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year authorization to expend from public debt receipts.....	\$6,750,000,000	\$6,750,000,000	\$6,750,000,000
Less obligations outstanding at beginning of year.....	2,114,466,664	4,340,893,471	6,712,314,762
Prior year balance available (authorization to expend from public debt receipts).....	4,635,533,336	2,409,106,529	37,685,238
Authorization to expend from public debt receipts:			
Restoration of capital impairment by cancellation of notes and other reimbursements.....	109,391,154	96,205,161	-----
Cancellation of notes for prior year costs of (1) eradication of foot-and-mouth disease, and (2) International Wheat Agreement, not credited to the Treasury checking account of Commodity Credit Corporation.....	193,402,782	178,797,970	-----
Total available for obligation.....	4,938,327,272	2,684,109,660	37,685,238
Balance available in subsequent year (authorization to expend from public debt receipts).....	-2,409,106,529	-37,685,238	-----
Obligations incurred during year (net) <sup>1</sup> .....	2,529,220,743	2,646,424,422	37,685,238

<sup>1</sup> Figures represent net commitments for the year (obligations less repayments and reductions). Maximum increase in net commitments during the year is as follows: 1953, \$2,226,426,807; 1954, \$2,255,000,000; 1955, \$1,048,000,000. (See schedule under heading "Proposed for later transmission," for additional estimated authorizations and obligations incurred.)

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations at beginning of the year (authorization to expend from public debt receipts):			
To purchase loans or certificates held by lending agencies.....	\$58,399,753	\$287,967,074	\$1,604,096,000
Contingent liabilities under purchase agreements.....	8,073,000	196,052,000	134,317,000

**ANALYSIS OF EXPENDITURES—continued**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations at beginning of the year—Continued			
Accrued liabilities, accounts payable, and other.....	\$77,950,383	\$244,874,397	\$230,947,000
Obligations incurred during the year (net).....	2,529,220,743	2,646,424,422	37,685,238
Deduct unliquidated obligations at end of year (authorization to expend from public debt receipts):	2,673,643,879	3,375,317,893	2,007,045,238
To purchase loans or certificates held by lending agencies.....	287,967,074	1,604,096,000	521,041,238
Contingent liabilities under purchase agreements.....	196,052,000	134,317,000	95,034,000
Accrued liabilities, accounts payable, and other.....	244,874,397	230,947,000	222,970,000
Total expenditures (out of prior authorizations paid into revolving fund) (net) <sup>1</sup> .....	1,944,750,408	1,405,957,893	1,168,000,000

<sup>1</sup> Figures represent net borrowings for the year (borrowings less repayments). Maximum increase in net borrowings during the year is as follows: 1953, \$1,641,956,472; 1954, \$356,000,000; 1955, \$1,168,000,000.

**BUSINESS-TYPE STATEMENTS****PROGRAM HIGHLIGHTS**

[Dollars in thousands]

	1953 actual	1954 estimate	1955 estimate
Price support program:			
Loans made.....	\$2,122,132	\$3,080,577	\$1,954,567
Purchase agreements made.....	343,140	211,144	177,049
Purchases of commodities.....	688,544	693,054	382,542
Sales of commodities.....	461,924	721,578	911,546
Donations of commodities.....	2,680	109,041	215,000
Collateral acquired.....	889,348	1,213,388	1,356,841
Inventory at end of year.....	2,338,737	3,537,368	4,214,748
All other programs:			
Loans made.....	42,498	38,700	6,750
Purchases of commodities.....	68,958	74,006	27,732
Sales of commodities.....	75,806	229,965	41,490
Inventory at end of year.....	74,268	72,783	44,611
Administrative expense limitation.....	16,492	19,710	18,000
Net budget expenditures <sup>1</sup> .....	1,942,657	1,403,556	1,165,041
Net loss on all operations.....	626,704	911,000	613,100

<sup>1</sup> Excludes cancellation of notes for prior-year costs of (1) eradication of foot-and-mouth disease, and (2) International Wheat Agreement, not credited to the Treasury checking account of Commodity Credit Corporation. Net expenditures after giving effect to credit for these cancellations would be as follows (thousands): 1953, \$1,749,254; 1954, \$1,091,803; and 1955, \$1,165,041.



PURPOSE AND FINANCIAL ORGANIZATION<sup>1</sup>

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, foods, feeds, and fibers, for the purpose of stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balanced and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation is managed by a board of directors, subject to the general supervision and direction of the Secretary of Agriculture, who is, ex officio, a director and the Chairman of the Board. Besides the Secretary, the Board consists of six members appointed by the President and confirmed by the Senate. In addition, the Corporation has a bipartisan advisory board of five members appointed by the President to survey the general policies of the Corporation and advise the Secretary with respect thereto.

The Corporation has an authorized capital stock of \$100,000,000, all held by the United States, and authority to borrow up to \$6,750,000,000.

## ANALYSIS OF BUDGET PROGRAMS

The budget is based on six types of programs: (1) price support, (2) supply and foreign purchase, (3) storage facilities, (4) loan to Secretary of Agriculture for agricultural conservation purposes, (5) commodity export, and (6) special activities.

*Budget assumptions.*—The Corporation's budget estimates for 1954 and 1955 are based on the general assumptions (a) that employment, production, and incomes will continue high through fiscal year 1955; (b) that prices, on the average, will not exceed the 1953 level; (c) that yields will be in line with recent averages; and (d) that acreage allotments and marketing quotas will be in effect on the 1954 crops of peanuts, certain kinds of tobacco, wheat and cotton in accordance with existing legislation; and acreage allotments will be in effect on the 1954 crop of corn.

In considering these estimates, it should be recognized that it is extremely difficult to estimate fund requirements for the year ending June 30, 1955. They are dependent upon weather conditions, the volume of agricultural production in this country and in foreign countries, economic conditions generally, food needs in the occupied areas and other foreign countries, availability of dollar exchange, the extent to which acreages formerly devoted to cotton, corn, and wheat will be diverted to other crops, and many other complex and unpredictable factors.

1. *Price-support program.*—Price-support operations are carried out under the Corporation's charter powers (particularly sections 5 (a) and (d)), in conformity with the Agricultural Act of 1949 (63 Stat. 1051), as amended (66 Stat. 758), and with respect to certain types of tobacco, in conformity with the act of July 28, 1945 (59 Stat. 506). Under the Agricultural Act of 1949, as amended, price support is mandatory for six basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and designated nonbasic commodities, namely, wool, mohair, tung nuts, honey, milk, butterfat, and the products of milk and butterfat; price support for other nonbasic agricultural commodities is discretionary.

Price support is made available through loans, purchase agreements, and purchases. The producer's commodities serve as collateral for price-support loans. If the producer does not repay his loan, he is not held liable for any deficiency arising from the sale of the collateral unless the loan was obtained through fraudulent representations. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity which he may elect within the maximum specified in the agreement. When it is not feasible to support prices through loans or purchase agreements, the Corporation purchases commodities during the regular marketing season either from producers directly or through usual trade channels.

Disposition of commodities acquired by the Corporation in its price support operations is made in compliance with section 407 of the Agricultural Act of 1949 (63 Stat. 1055) and other applicable legislation.

In all its price support operations the Corporation utilizes normal trade facilities to the maximum extent practicable. In its lending activities the Corporation uses local banks, cooperatives, and other private lending agencies. Commercial storage facilities are used to a great extent in the storage of loan collateral and in the storage of stocks acquired by the Corporation.

It is estimated that price support loans to be made during fiscal year 1955 will total \$1,954,566,500. This compares with a total of \$3,080,577,363 estimated for fiscal year 1954 and \$2,122,132,034 actually made during fiscal year 1953. The estimated decrease for 1955 is primarily attributable to cotton, corn and wheat and reflects an estimated decreased production of these commodities due to acreage controls. The estimated increase for 1954 over 1953 is due almost entirely to corn and cotton.

The value of the Corporation's inventory of commodities as of June 30, 1955, is estimated to total \$4,214,747,884. This compares with an estimated \$3,537,368,003 as of June 30, 1954, and an actual inventory of \$2,338,736,567 as of June 30, 1953. The major increases in inventory in both of the fiscal years 1954 and 1955 are estimated to be due primarily to acquisitions of corn and wheat.

2. *Supply and foreign purchase program.*—This program is carried out under the authority contained in the Corporation's charter, particularly sections 5 (b) and 5 (c) thereof. The Corporation procures foods, agricultural commodities, their products, and related materials to supply the requirements of Government agencies, foreign governments, and relief and rehabilitation agencies and to meet domestic requirements. Foods, agricultural commodities, and their products are procured or aid is given in their procurement to facilitate distribution or to meet anticipated requirements during period of short supply. The Corporation may also make available materials and facilities required in connection with the production and marketing of agricultural commodities.

Operations are conducted in accordance with procedures and policies reasonably calculated to assure compliance with section 4 of the act of July 16, 1943 (15 U. S. C. 713a-9), which requires that the Corporation be fully reimbursed for services performed, losses sustained, and operating costs incurred for commodities purchased or delivered to or on behalf of any other Government agency.

The main activities now carried on are procurement of commodities for the Department of the Army and the Foreign Operations Administration, and initial financing of certain programs authorized under the Defense Produc-

<sup>1</sup> A more detailed statement describing the creation, purposes, authorities, and financial structure of the Corporation is contained in the budget of the United States, 1948, as supplemented by subsequent budgets.



## PUBLIC ENTERPRISE FUNDS—Continued

### COMMODITY CREDIT CORPORATION—Continued

#### *Commodity Credit Corporation—Continued*

tion Act to assure adequate supplies of strategic and critical materials. Total acquisitions are estimated at \$29,889,803 in the fiscal year 1955 compared with an estimated \$79,861,655 for 1954 and actual acquisitions of \$101,126,088 during 1953. The estimated decrease for 1955 reflects decreased activity under Defense Production operations and decreased purchases of grain, sugar and processed commodities in the open market for the Army, the Foreign Operations Administration and others.

3. *Storage facilities program.*—This program is carried out under the authority contained in the Corporation's charter, particularly sections 4 (h), 4 (m), and 5 (a). The Corporation (a) purchases and maintains granaries and equipment for care and storage of grain owned or controlled by the Corporation; (b) makes loans for the construction or expansion of farm storage facilities; (c) provides storage-use guaranties to encourage the construction of commercial storage facilities; and (d) undertakes other operations necessary to provide storage adequate to carry out the Corporation's programs.

During the latter part of fiscal year 1953 it became necessary to contract for an increase in the storage capacity of Corporation-owned structures by 95,000,000 bushels in certain deficient areas in Kansas, Nebraska, North Dakota, South Dakota, Minnesota, Montana, Iowa, Illinois, Michigan, Wisconsin, and adjoining States. No expansion of Corporation structures is now contemplated during the fiscal year 1955. Storage-use agreements will be made through June 30, 1954, to assure sufficient privately owned storage facilities through 1956. In order to provide adequate farm storage facilities in 1954 and 1955, it is estimated that the Corporation will be required to make loans on facilities having a total capacity of 25,000,000 bushels in 1954 and of 22,000,000 bushels in 1955. In addition, it is estimated that loans to finance the purchase of mechanical driers totaling \$200,000 will be made during 1954 compared with \$150,000 for 1955.

4. *Loan to Secretary of Agriculture for agricultural conservation purposes.*—Section 391 (c) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1391), requires the Corporation to lend to the Secretary of Agriculture during each fiscal year such sums, not to exceed \$50,000,000, as he estimates will be required to make advances for the purchase of conservation materials from January 1 to June 30 of each year. Repayment is usually made during the succeeding fiscal year from appropriated funds, with interest at least equal to the rate paid by the Corporation. In 1953, a total of \$35,410,222 was loaned; it is estimated that \$31,000,000 will be loaned during the fiscal year 1954. No loan is estimated in fiscal year 1955 pending enactment of legislation to extend Federal operation of the program after December 31, 1954 (sec. 8 (a) of the Soil Conservation and Domestic Allotment Act, as amended.)

5. *Commodity export program.*—This program is carried out under the authority contained in the Corporation's charter, particularly sections 5 (d) and 5 (f), and the International Wheat Agreement Act of 1949. The Corporation exports, causes to be exported, or aids in the development of export markets for agricultural commodities and products.

The International Wheat Agreement Act of 1949 authorizes the President, acting through the Corporation, to make available such quantities of wheat and wheat

flour to importing countries, and at such prices, as may be necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States under the International Wheat Agreement. In turn, the Corporation is authorized to use its general borrowing authority to pay current obligations and to be repaid therefor from appropriations made specifically to cover the costs of the International Wheat Agreement. Pending such reimbursement, the Corporation is authorized to establish the net costs of operations under the agreement as a receivable. For 1953 the Corporation's net costs charged to the International Wheat Agreement, including interest through June 30, 1954, were \$130,867,992. A proposal to authorize the Secretary of the Treasury to discharge the indebtedness of the Commodity Credit Corporation by canceling notes issued by the Corporation to the Secretary of the Treasury in this amount will be submitted later in the fiscal year 1954.

6. *Special activities.*—Under the provisions of the appropriation item in the Department of Agriculture Appropriation Act, 1954 (Public Law 156, 83d Cong.), entitled "Eradication of foot-and-mouth disease and other contagious diseases of animals and poultry, Agricultural Research Administration," the Secretary of Agriculture has determined that Corporation funds should be transferred for use in the eradication of foot-and-mouth disease in Mexico and the related quarantines, subject to full reimbursement. Similar authority contained in appropriations for prior years has been used in the past primarily in connection with programs in Mexico and to a limited extent for measures to protect the United States against the introduction of foot-and-mouth disease from Canada. For the fiscal year 1953, advances, with interest and related charges through June 30, 1954, amount to \$2,086,770. A proposal to authorize the Secretary of the Treasury to reimburse the Commodity Credit Corporation for this amount will be submitted later in the fiscal year 1954 under the item "Eradication of foot-and-mouth disease and other contagious diseases of animals and poultry, Agricultural Research Administration." No advances under this authority in 1955 are reflected in the budget schedules.

Pursuant to authority contained under the head "Marketing services, Production and Marketing Administration," in the Department of Agriculture Appropriation Act, 1952 (7 U. S. C. 414a), the Corporation advances to the Production and Marketing Administration nonadministrative funds for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U. S. C. 473a, 511d). Costs of such grading and classing of those commodities which are not placed under price support are repaid to CCC from subsequent appropriations. Provision for reimbursing the Corporation in the amount of \$441,655 is included in the estimates for 1955 under the item "Marketing Services, Production and Marketing Administration." It is estimated that advances of \$1,418,900 will be made during fiscal year 1954 and \$1,523,600 in fiscal year 1955.

Under the terms of recently enacted legislation, the Commodity Credit Corporation was directed to make available to the President out of its stocks (1) not to exceed one million long tons of wheat, during the period ending June 30, 1954, for transfer to the Government of Pakistan (Public Law 77, 83d Cong.), and (2) commodities valued at not more than \$100,000,000, including the Corporation's investment in commodities and handling and delivery costs, for transfer to friendly peoples in meeting famine or other urgent requirements (Public Law



216, 83d Cong.). The latter law provides that no programs of assistance shall be undertaken after March 15, 1954, and both of these laws authorize appropriations to reimburse Commodity Credit Corporation for its costs.

The facilities and stocks of the Corporation are also authorized (Public Law 115, 83d Cong.) to be used by the Secretary for emergency assistance in furnishing feed and seed to farmers, ranchers and stockmen in connection with any major disaster determined by the President to warrant Federal assistance under Public Law 875 (42 U. S. C. 1855). On November 16, 1953, pursuant to the authority of Public Law 875 the President directed the Corporation to furnish supplies of feed acquired by it in carrying out price support operations for use in the drought emergency program, such supplies to be furnished without reimbursement from presently appropriated funds. Feed concentrates, principally cottonseed meal, corn, wheat, oats, and mixed feeds, are furnished at less than market cost to eligible farmers in designated disaster areas. The President also stated that Congress would be requested to take specific action for the purpose of reimbursing the Corporation for losses representing the difference between the value of the feed furnished under the directive and the sales price received by the Corporation. Public Law 175, Eighty-third Congress, appropriated \$40,000,000 which has been added to the Corporation's funds for handling, processing, shipping, and other expenses relating to the delivery of the emergency feed supplies to disaster areas.

*Administrative expenses.*—These are for the operating staff, including the services of employees of the Commodity Stabilization Service engaged in Commodity Credit Corporation activities, services performed by other agencies of the Department, costs of the General Accounting Office audit, and payments to the General Services Administration for space in the District of Columbia.

Expenses in connection with the acquisition, operation, maintenance, improvement, or disposition, including inspection, classing and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors, of real or personal property owned in whole or in part by the Corporation are treated as nonadministrative expenses, as provided in the language of the appropriation act. Expenses treated as nonadministrative in the 1955 estimates are the same as those so treated since 1951. The requested authorization excludes expenses in connection with the supply and foreign purchase program; the budget for 1955 contemplates full reimbursement for these expenses. Such reimbursements will be obtained and used in the fiscal year 1955 in the same manner as in the fiscal years 1953 and 1954.

Administrative expenses for 1953 and estimates for 1954 and 1955 are reflected in the schedule, "Amounts available for administrative expenses." The estimates for 1955 include a limitation of \$18,000,000 for costs of administration exclusive of reimbursements for services performed.

Because of the increasing price-support workload during the current fiscal year, present indications are that the 1954 limitation of \$17.1 million will be insufficient. As a result, a supplemental estimate to increase this limitation will be submitted early in this session of Congress.

#### FINANCING OPERATIONS

The Corporation's operations are financed by capital funds and borrowings from the Treasury and from private lending agencies. In 1953 the annual interest rate paid on capital stock was 2 percent, and the rate on borrowings

from the Treasury was 2 percent to March 1, 1953, and 2½ percent to June 30, 1953. Since that date the interest rate on both capital stock and borrowings from the Treasury is computed at 2½ percent in accordance with a policy of the Treasury Department that the rate shall be based upon the average interest rate on all outstanding marketable obligations of the United States as of the end of the preceding month. Funds are borrowed from private lending agencies when the Corporation desires to utilize such agencies in carrying out a particular operation in addition to obtaining funds. During the fiscal year 1954 the Corporation extended its certificate of interest method of financing cotton loans to other commodities, and the budget estimate anticipates that this plan will continue in effect during the fiscal year 1955. Although this method of financing has no effect on obligations against the Corporation's borrowing authority, it postpones a portion of the actual cash expenditures of Federal funds until subsequent fiscal years. All borrowing agreements with private lending agencies are approved by the Secretary of the Treasury.

Present indications are that the borrowing authority of \$6,750,000,000 will not be adequate to cover all of the Corporation's obligations in 1954 unless early provision is made for restoration of capital impairment of the Corporation as of June 30, 1953, and reimbursement to the Corporation for International Wheat Agreement and foot-and-mouth disease program expenditures applicable to obligations during the fiscal year 1953. Supplemental estimates will be submitted early in this session of Congress for such purposes. It also will be necessary to submit a legislative proposal to increase the Corporation's borrowing authority to cover estimated maximum obligations during the fiscal year 1955.

#### OPERATING RESULTS AND RETAINED EARNINGS

The Corporation's records show that operations resulted in a net budget expenditure of \$1,749,253,745 in 1953. It is estimated that such operations will result in net budget expenditures of \$1,091,802,791 in 1954 and \$1,165,041,296 in 1955. The Treasury, however, does not reflect in the Corporation's checking account note cancellations to reimburse the Corporation for prior years' costs of eradication of foot-and-mouth disease and International Wheat Agreement. For budgetary purposes, therefore, the budget estimates reflect net budget expenditures of \$1,942,656,527 for the fiscal year 1953, and estimated net budget expenditures of \$1,403,555,523 and \$1,165,041,296 for the fiscal years 1954 and 1955, respectively. The net loss for 1953, including both realized losses of \$114,283,061 and net increases in valuation allowances of \$512,421,166, amounted to \$626,704,227. It is estimated that net losses of \$911,000,000 and \$613,100,000 will be incurred in 1954 and 1955, respectively.

An appraisal of the assets and liabilities of the Corporation is made each year by the Secretary of the Treasury to determine net worth. If the net worth is less than \$100,000,000, the Secretary of the Treasury restores the amount of capital impairment; if net worth is more than \$100,000,000, the Corporation pays the surplus to the Treasury. A summary of capital impairment, restoration of capital, and payments to the Treasury is given in schedule 4.

There was a deficit of \$737,534,574 as of June 30, 1953. A restoration of \$96,205,161 was approved to cover the



## PUBLIC ENTERPRISE FUNDS—Continued

## COMMODITY CREDIT CORPORATION—Continued

## Commodity Credit Corporation—Continued

June 30, 1952, deficit. Differences between deficits shown on the books of the Corporation as of the close of a fiscal year, and the amounts of restoration of capital result from net adjustments based on the Secretary of the Treasury's appraisal of the Corporation's asset and liabilities. The adjustments are based on the provisions of the act of March 8, 1938, which defines asset values for appraisal purposes as the lower of cost or average market prices for the month of June. The Corporation, however, takes into consideration current market prices and support levels, prospective sales outlets and the effect of production and price support levels on market prices in arriving at their estimated value. While the actual amount of the restoration of capital will depend on the amount of the capital impairment established by the Secretary of the Treasury as of June 30, 1953, the estimated amount shown under items proposed for later transmission (not to exceed \$642,000,000) is based on the books of the Corporation.

## FINANCIAL CONDITION

The Corporation's assets, which consist principally of price support loans receivable and inventories, were valued at \$3,520,036,469 as of June 30, 1953, and are estimated at \$4,990,288,587 as of June 30, 1954, and \$5,116,876,587 as of June 30, 1955. The estimated increase in assets as of June 30, 1955, over June 30, 1953, is caused primarily by the increase in outstanding cotton loans and the increase in corn and wheat inventory.

The changes in the Corporation's assets are also reflected in its principal liabilities. Outstanding borrowings from the Treasury will amount to \$3,968,000,000 as of June 30, 1954, and \$5,136,000,000 as of June 30, 1955. Other liabilities of the Corporation, principally price support loans held by banks, amounted to \$545,571,043 as of June 30, 1953; it is estimated that these liabilities will amount to \$1,832,618,000 as of June 30, 1954; and \$1,404,306,000 as of June 30, 1955. In addition, the Corporation had contingent liabilities as of June 30, 1953, amounting to \$204,428,030. It is estimated that these contingent liabilities, consisting primarily of purchase agreements outstanding, will amount to \$139,792,000 and \$100,864,000 as of June 30, 1954 and 1955, respectively.

## COMMODITY CREDIT CORPORATION—A. Statement of sources and application of funds

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
<b>To Operations</b>			
<b>REGULAR OPERATIONS:</b>			
<b>Price-support program:</b>			
Acquisition of assets: Loans on commodities .....	\$2,122,132,034	\$3,080,577,363	\$1,954,566,500
<b>Expenses:</b>			
Purchases of commodities and other costs .....	890,896,017	991,985,620	678,150,293
Other program expenses .....	1,666,830	1,905,955	1,873,600
Total applied to operations, price-support program .....	\$3,014,694,881	\$4,074,468,938	\$2,634,590,393
<b>Supply and foreign purchase program:</b>			
<b>Expenses:</b>			
Purchases of commodities and other costs .....	101,126,088	79,861,655	29,889,803
Other program expenses .....	453,215		
Total applied to operations, supply and foreign purchase program .....	101,579,303	79,861,655	29,889,803
<b>Storage facilities program:<sup>1</sup></b>			
Acquisition of assets:			
Loans on storage facilities and equipment .....	7,087,673	7,700,000	6,750,000
Purchases of storage facilities and equipment .....	842,418	26,000,000	1,750,000
<b>Expenses: Other program costs .....</b>		815,000	1,715,000
Total applied to operations, storage facilities program .....	7,930,091	34,515,000	10,215,000
<b>Commodity export program: Expenses: Cost of commodities .....</b>		85,750,000	
<b>Loan to Secretary of Agriculture: Acquisition of assets: Loans for agricultural conservation purposes .....</b>	35,410,222	31,000,000	
<b>Other expenditures:</b>			
Acquisition of assets: Purchases of administrative equipment .....	266,154	375,000	250,000
<b>Expenses:</b>			
Administrative expenses: <sup>2</sup>			
Applicable to limitation .....	15,908,720	19,710,000	18,000,000
Reimbursable .....	19,923,840	5,590,095	4,253,516
Prior year adjustments to administrative expenses .....	6,134		
Interest on borrowings:			
Treasury .....	46,478,034	85,000,000	95,000,000
Other .....	1,923		
Nonadministrative expenses .....	6,872,178	10,238,731	9,435,717
Total applied to operations, other expenditures .....	89,456,983	120,913,826	126,939,233
<b>Increase in selected working capital .....</b>			423,445,018

<sup>1</sup> Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.

<sup>2</sup> Fiscal year 1953 not adjusted for comparability due to subsequent reorganization.

COMMODITY CREDIT CORPORATION—A. *Statement of sources and application of funds*—Continued

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b> —Continued			
<b>To Operations</b> —Continued			
<b>SPECIAL ACTIVITIES:</b>			
Transfers and other costs for eradication of foot-and-mouth disease.....	\$2,163,351	\$5,895,672	\$144,000
International Wheat Agreement costs.....	130,786,401	84,481,612	89,175,982
Emergency assistance to Pakistan: Wheat.....	-----	79,799,000	1,958,000
Emergency feed program: <sup>3</sup> Cost of commodities.....	-----	152,005,937	-----
Total applied to operations.....	3,382,021,232	4,748,691,640	3,316,357,429
<b>To Financing</b>			
Repayment of borrowings:			
Treasury:			
By cash repayments.....	\$271,206,064	\$1,594,042,107	\$1,222,000,000
By cancellation of notes and other reimbursements.....	302,793,936	1,049,957,893	-----
Private sources.....	1,578,004	-----	-----
Interest on capital stock.....	2,000,000	2,500,000	2,500,000
Increase in Treasury cash.....	93,881	-----	458,704
Total applied to financing.....	577,671,885	2,646,500,000	1,224,958,704
<b>Total funds applied</b> .....	3,959,693,117	7,395,191,640	4,541,316,133
<b>FUNDS PROVIDED</b>			
<b>By Operations</b>			
<b>REGULAR OPERATIONS:</b>			
<b>Price-support program:</b>			
Realization of assets:			
Repayments of loans.....	454,612,166	1,025,221,241	1,132,556,250
Loans transferred to accounts receivable.....	1,341,107	-----	-----
Income:			
Sales of commodities.....	450,432,327	691,577,756	881,546,412
Other program income and recoveries.....	15,693,279	971,572	808,742
Total provided by operations, price-support program.....	922,078,879	1,717,770,569	2,014,911,404
<b>Supply and foreign purchase program:</b>			
Income:			
Sales of commodities.....	75,805,710	74,708,743	41,489,970
Losses recoverable from other funds.....	9,118,504	6,616,928	16,507,243
Other program income.....	1,789,514	-----	-----
Total provided by operations, supply and foreign purchase program.....	86,713,728	81,325,671	57,997,213
<b>Storage facilities program:</b>			
Realization of assets:			
Repayments of loans.....	7,792,128	10,319,516	11,700,000
Loans transferred to accounts receivable and other settlements.....	108,795	-----	-----
Sale of storage property.....	20,287	-----	-----
Other program income.....	121,488	-----	-----
Total provided by operations, storage facilities program.....	8,042,698	10,319,516	11,700,000
<b>Commodity export program: Income: Sales of commodities.....</b>			
	-----	68,250,000	-----
<b>Loan to Secretary of Agriculture: Realization of assets: Repayments of loans...</b>	57,000,000	14,410,222	31,000,000
<b>Subsidy program: Income: Prior year adjustments.....</b>	74,623	-----	-----
<b>Other receipts:</b>			
Realization of assets: Proceeds from sale of administrative equipment.....			
	8,732	8,000	4,000
Income:			
Interest.....	16,213,375	30,500,000	31,250,000
Other.....	218,143	200,000	200,000
Administrative expense reimbursements <sup>2</sup> .....	19,923,840	5,590,095	4,253,516
Total provided by other receipts.....	36,364,090	36,298,095	35,707,516
<b>Decrease in selected working capital.....</b>	329,090,687	1,329,756,107	-----
<b>SPECIAL ACTIVITIES:</b>			
<b>Emergency feed program: <sup>3</sup> Sales of commodities.....</b>			
	-----	87,005,937	-----
Total provided by operations.....	1,439,364,705	3,345,136,117	2,151,316,133
<b>By Financing</b>			
Borrowings from:			
Treasury.....	2,216,000,000	3,000,000,000	2,390,000,000
Private sources.....	1,534,476	-----	-----

<sup>1</sup> Fiscal year 1953 not adjusted for comparability due to subsequent reorganization.<sup>2</sup> Excludes \$40,000,000 for handling, processing, shipping, and other expenses relating to delivery of feed to disaster areas recovered from funds appropriated by Public Law 175, 83d Cong. On Nov. 16, 1953, the President directed the Corporation to supply feed at reduced prices without reimbursement from presently appropriated funds.



COMMODITY CREDIT CORPORATION—A. *Statement of sources and application of funds—Continued*

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS PROVIDED—Continued</b>			
<b>By Financing—Continued</b>			
Cancellation of notes and other reimbursements:			
Restoration of capital impairment.....	\$109,391,154	\$738,205,161	-----
Reimbursement for transfers and other costs for eradication of foot-and-mouth disease (reduction in accounts receivable).....	11,240,532	9,144,345	-----
Reimbursement for International Wheat Agreement costs (reduction in accounts receivable).....	182,162,250	302,608,387	-----
Decrease in Treasury cash.....		97,630	-----
Total provided by financing.....	\$2,520,328,412	\$4,050,055,523	\$2,390,000,000
<b>Total funds provided</b> .....	<b>3,959,693,117</b>	<b>7,395,191,640</b>	<b>4,541,316,133</b>

**EFFECT ON BUDGET EXPENDITURES**

Funds applied to operations.....	\$3,382,021,232	\$4,748,691,640	\$3,316,357,429
Funds provided by operations.....	1,439,364,705	3,345,136,117	2,151,316,133
<b>Net effect on budget expenditures</b> .....	<b><sup>1</sup> 1,942,656,527</b>	<b><sup>1</sup> 1,403,555,523</b>	<b>1,165,041,296</b>
The above are charged or credited (—) as follows:			
To budgetary authorizations.....	1,944,750,408	1,405,957,893	1,168,000,000
To net receipts of the fund.....	—2,093,881	—2,402,370	—2,958,704
The above expenditures are chargeable to the following programs:			
Price support, supply, and related programs.....	1,831,296,553	1,151,789,461	1,104,763,314
Transfers and other costs for eradication of foot-and-mouth disease.....	2,163,351	5,895,672	144,000
International Wheat Agreement costs.....	130,786,401	84,481,612	89,175,982
Net loan to Secretary of Agriculture for conservation purposes.....	—21,589,778	16,589,778	—31,000,000
Emergency assistance to Pakistan.....		79,799,000	1,958,000
Emergency feed program.....		65,000,000	-----

<sup>1</sup> Excludes cancellation of notes for prior-year costs of (1) eradication of foot-and-mouth disease, and (2) International Wheat Agreement, not credited to the Treasury checking account of Commodity Credit Corporation. Net expenditures after giving effect to credit for these cancellations would be as follows: 1953, \$1,749,253,745; and 1954, \$1,091,802,791.

COMMODITY CREDIT CORPORATION—B. *Statement of income and expense*

	1953 actual	1954 estimate	1955 estimate
<b>PRICE SUPPORT PROGRAM</b>			
<b>Income:</b>			
Sales of commodities.....	\$450,432,327	\$691,577,756	\$881,546,412
Other program income.....	1,571,900	971,572	808,742
Transfers.....	11,516,678	30,000,000	30,000,000
Total income.....	\$463,520,905	\$722,549,328	\$912,355,154
<b>Expenses:</b>			
Cost of goods sold:			
Purchases of commodities and other costs.....	890,896,017	799,985,620	678,150,293
Transfers and other acquisitions of commodities.....	894,442,548	1,252,287,868	1,396,240,825
Increase (—) or decrease in inventory (excluding donations).....	—1,268,176,164	—1,307,672,727	—892,379,881
Cost of goods sold.....	517,162,401	936,600,761	1,182,011,237
Other program expenses.....	1,666,830	1,905,955	1,873,600
Donations of commodities.....	2,679,995	109,041,291	215,000,000
Losses on loans charged off.....	3,158,038	1,325,012	775,000
Increase or decrease (—) in allowances for losses on:			
Loans.....	60,156,000	—54,139,000	—6,055,000
Inventories.....	428,388,000	487,787,000	38,253,000
Commodities under contract to purchase.....	21,644,000	—20,487,000	—2,914,000
Total expenses.....	1,034,855,264	1,462,034,019	1,428,943,837
<b>Net loss (—) from price support program</b> .....	<b>—571,334,359</b>	<b>—739,484,691</b>	<b>—516,588,683</b>
<b>SUPPLY AND FOREIGN PURCHASE PROGRAM</b>			
<b>Income:</b>			
Sales of commodities.....	75,805,710	74,708,743	41,489,970
Losses recovered from other funds.....	9,118,504	6,616,928	16,507,243
Other program income.....	1,789,514	-----	-----
Total income.....	86,713,728	81,325,671	57,997,213

COMMODITY CREDIT CORPORATION—B. *Statement of income and expense*—Continued

	1953 actual	1954 estimate	1955 estimate
<b>SUPPLY AND FOREIGN PURCHASE PROGRAM—Continued</b>			
<b>Expenses:</b>			
Cost of goods sold:			
Purchases of commodities and other costs.....	\$101,126,088	\$79,861,655	\$29,889,803
Increase (—) or decrease in inventory.....	—16,625,655	1,484,341	28,172,010
Cost of goods sold.....	84,500,433	81,345,996	58,061,813
Other program expenses.....	453,215		
Total expenses.....	\$84,953,648	\$81,345,996	\$58,061,813
Net income or loss (—) from supply and foreign purchase program.....	1,760,080	<sup>1</sup> —20,325	<sup>1</sup> —64,600
<b>STORAGE FACILITIES PROGRAM <sup>2</sup></b>			
Net program income or expenses (—).....	121,488	—815,000	—1,715,000
<b>COMMODITY EXPORT PROGRAM <sup>3</sup></b>			
Income: Sales of commodities.....		68,250,000	
Expenses: Cost of commodities.....		85,750,000	
Net loss from commodity export program.....		—17,500,000	
<b>SUBSIDY PROGRAM (Liquidation)</b>			
Income: Prior year adjustments.....	74,623		
<b>EMERGENCY FEED PROGRAM <sup>4</sup></b>			
Income: Sales of commodities.....		87,005,937	
Expenses: Cost of commodities.....		152,005,937	
Net loss from emergency feed program.....		—65,000,000	
<b>OTHER INCOME AND EXPENSES</b>			
Income:			
Interest.....	16,213,375	30,500,000	31,250,000
Other.....	218,143	200,000	200,000
Gain on sale of administrative equipment: Proceeds from sale.....	8,732	8,000	4,000
Total income.....	16,440,250	30,708,000	31,454,000
Expenses:			
Administrative expenses <sup>5</sup> .....	35,832,560	25,300,095	22,253,516
Less reimbursements.....	19,923,840	5,590,095	4,253,516
Net administrative expenses applicable to limitation.....	15,908,720	19,710,000	18,000,000
Prior year adjustments to administrative expenses.....	6,134		
Interest on borrowings:			
Treasury.....	46,478,034	85,000,000	95,000,000
Other.....	1,923		
Nonadministrative expenses.....	6,872,178	10,238,731	9,435,717
Interest on capital stock.....	2,000,000	2,500,000	2,500,000
Depreciation of administrative equipment.....	266,154	375,000	250,000
Increase in allowance for losses on accounts and notes receivable.....	2,233,166	1,064,253	1,000,000
Total expenses.....	73,766,309	118,887,984	126,185,717
Net loss (—) other income and expenses.....	—57,326,059	—88,179,984	—94,731,717
Net loss (—) for the year.....	—626,704,227	—911,000,000	—613,100,000

## ANALYSIS OF RETAINED EARNINGS OR DEFICIT (—)

Deficit (—), beginning of year.....	—\$220,221,501	—\$737,534,574	—\$910,329,413
Net loss (—) for the year.....	—626,704,227	—911,000,000	—613,100,000
Total.....	—846,925,728	—1,648,534,574	—1,523,429,413
Restoration of capital impairment by cancellation of notes and other reimbursements.....	109,391,154	738,205,161	
Deficit (—), end of year.....	—737,534,574	—910,329,413	—1,523,429,413

<sup>1</sup> It is anticipated that these losses will be recovered in subsequent years.<sup>2</sup> Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.<sup>3</sup> International Wheat Agreement costs, which are recoverable from appropriations, are included in accounts receivable in "C. Statement of financial condition."<sup>4</sup> Excludes \$40,000,000 for handling, processing, shipping, and other expenses relating to delivery of feed to disaster areas recovered from funds appropriated by Public Law 175, 83d Cong. On Nov. 16, 1953, the President directed the Corporation to supply feed at reduced prices without reimbursement from presently appropriated funds.<sup>5</sup> Fiscal year 1953 not adjusted for comparability due to subsequent reorganization.



COMMODITY CREDIT CORPORATION—C. *Statement of financial condition*

	1952 actual	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>				
<b>Cash:</b>				
With Treasury.....	\$6,260,247	\$6,053,405	\$6,475,441	\$6,934,145
Working fund advances to other agencies.....	212,943	519,666		
On hand, in banks, and in transit.....	8,910,072	5,274,729	5,000,000	5,000,000
Total cash.....	15,389,262	11,847,800	11,475,441	11,934,145
<b>Loans receivable:</b>				
Held by Commodity Credit Corporation.....	367,302,598	889,005,389	427,489,967	275,464,392
Held by lending agencies and banks (including certificates) (see contra liability account below).....	58,399,753	287,967,074	1,604,096,000	1,184,566,000
Total loans receivable.....	425,702,351	1,176,972,463	2,031,585,967	1,460,030,392
Less allowance for losses.....	3,458,000	63,614,000	9,475,000	3,420,000
Net loans receivable.....	422,244,351	1,113,358,463	2,022,110,967	1,456,610,392
<b>Inventories (at cost)</b> .....	1,130,882,252	2,413,004,076	3,610,151,171	4,259,359,042
Less allowance for losses.....	108,373,000	536,761,000	1,024,548,000	1,062,801,000
Net inventories.....	1,022,509,252	1,876,243,076	2,585,603,171	3,196,558,042
<b>Commodities under contract to purchase</b> .....	8,498,100	60,380,275	8,742,000	
Less allowance for losses.....	1,757,000	23,401,000	2,914,000	
Net commodities under contract to purchase.....	6,741,100	36,979,275	5,828,000	
<b>Accounts and notes receivable</b> .....	448,657,218	392,880,898	258,200,000	356,000,000
Less allowance for losses.....	10,702,581	12,935,747	14,000,000	15,000,000
Net accounts and notes receivable.....	437,954,637	379,945,151	244,200,000	341,000,000
<b>Land, structures, and equipment:</b>				
Storage facilities and equipment.....	129,175,672	130,797,837	156,797,837	158,547,837
Administrative equipment.....	1,364,416	1,559,494	1,867,294	2,085,094
Total land, structures, and equipment.....	130,540,088	132,357,331	158,665,131	160,632,931
Less portion charged off as depreciation.....	26,988,545	35,683,323	44,891,123	54,508,923
Net land, structures, and equipment.....	103,551,543	96,674,008	113,774,008	106,124,008
<b>Accrued assets</b> .....	541,795	2,289,128	4,827,000	2,180,000
<b>Deferred and undistributed charges</b> .....	388,433	2,699,568	2,470,000	2,470,000
Total assets.....	2,009,320,373	3,520,036,469	4,990,288,587	5,116,876,587
<b>LIABILITIES</b>				
Notes payable: Held by banks.....	43,528			
Obligation to purchase loans and/or certificates held by lending agencies and banks (see contra asset account above).....	58,399,753	287,967,074	1,604,096,000	1,184,566,000
Accounts payable.....	26,573,900	84,339,478	81,280,000	59,840,000
Trust and deposit liabilities.....	30,115,539	18,978,870	1,000,000	1,000,000
Accrued liabilities.....	41,470,440	152,158,889	144,192,000	157,300,000
Deferred and undistributed credits.....	2,100,170	2,126,732	2,050,000	1,600,000
Reserve for producers' equity.....	838,544			
Total liabilities.....	159,541,874	545,571,043	1,832,618,000	1,404,306,000
<b>INVESTMENT OF U. S. GOVERNMENT</b>				
<b>Interest-bearing investment (held by Treasury):</b>				
Notes payable.....	1,970,000,000	3,612,000,000	3,968,000,000	5,136,000,000
Capital stock.....	100,000,000	100,000,000	100,000,000	100,000,000
Total interest-bearing investment.....	2,070,000,000	3,712,000,000	4,068,000,000	5,236,000,000
<b>Non-interest-bearing investment: Deficit (—)</b> .....	—220,221,501	—737,534,574	—910,329,413	—1,523,429,413
Total investment of U. S. Government.....	1,849,778,499	2,974,465,426	3,157,670,587	3,712,570,587
Total liabilities and investment of U. S. Government.....	2,009,320,373	3,520,036,469	4,990,288,587	5,116,876,587
<b>NOTE.—Contingent liabilities:</b>				
Purchase agreements.....	\$8,073,000	\$196,052,000	\$134,317,000	\$95,034,000
Approved declaration of sales for export—International Wheat Agreement.....	7,173,600	8,030,000	5,100,000	5,500,000
Approved commitments for storage loans.....	1,574,597	346,030	375,000	330,000
Other.....	319,302			
Total contingent liabilities.....	17,140,499	204,428,030	139,792,000	100,864,000
Selected working capital (other than cash) included above is as follows:				
Liabilities also on budget authorization schedule.....	—\$126,444,093	—\$524,465,441	—\$1,829,568,000	—\$1,401,706,000
Other.....	65,271,339	134,202,000	109,548,452	105,131,470
Total.....	—61,172,754	—390,263,441	—1,720,019,548	—1,296,574,530

COMMODITY CREDIT CORPORATION—SCHEDULE 1. *Net receipts and expenditures*

Program, commodity, and fiscal year	Receipts			Expenditures				Net adjustment: Increase or decrease (—) in loans held by banks	Net receipts or expenditures (—)	Memorandum: Net gain or loss (—)
	Repayments of loans	Sales	Other	Loans	Purchases	Carrying charges	Other			
REGULAR OPERATIONS										
Price support program:										
Basic commodities:										
Corn:										
1953.....	\$61,669,095	\$143,659,288	\$734,217	\$482,760,236	\$638,595	\$26,933,769	\$773,405	\$205,463,114	—\$99,580,291	—\$20,526,523
1954.....	55,725,351	145,000,000	-----	616,335,000	148,155,000	29,229,654	46,800,000	371,090,618	—268,703,685	—41,000,000
1955.....	247,900,000	174,000,000	-----	434,500,000	48,000,000	85,200,000	-----	—212,000,000	—357,800,000	—49,000,000
Cotton:										
1953.....	85,020,597	34,028,358	14,408,960	357,419,012	47,414,839	2,202,110	651,744	9,821,994	—264,407,796	—86,908
1954.....	394,410,240	14,500,000	937,820	1,064,375,000	-----	1,000,000	1,162,355	746,908,149	90,218,854	175,465
1955.....	334,200,000	102,911,100	735,596	329,600,000	-----	17,150,000	1,210,000	—182,880,000	—92,993,304	375,247
Peanuts:										
1953.....	6,451,159	5,011,666	100,887	11,731,477	226,595	516,830	139,686	—543,803	—1,594,679	—2,975,881
1954.....	60,600,247	16,471,728	20,000	78,234,000	9,726	1,430,000	100,000	—21,651	—2,703,402	—15,572,567
1955.....	63,720,000	3,900,000	29,000	73,750,000	-----	405,000	100,000	-----	—6,606,000	—4,796,000
Rice:										
1953.....	1,089,603	1,440,663	8,573	1,093,036	54,111	37,081	55,409	28,049	1,327,251	—277,861
1954.....	5,028,049	6,380	-----	5,000,000	-----	2,582	-----	—28,049	3,798	—3,620
1955.....	4,740,000	14,300,000	-----	14,220,000	4,740,000	80,000	-----	-----	-----	-----
Tobacco:										
1953.....	133,554,681	872,245	405,939	161,877,432	-----	20,825	339,661	-----	—27,405,053	—2,759,677
1954.....	117,947,333	495,587	13,752	120,000,000	-----	19,000	318,600	197,000,000	195,119,072	—1,709,860
1955.....	107,261,500	593,162	44,146	110,000,000	-----	10,000	318,600	2,000,000	—429,792	—1,124,454
Wheat:										
1953.....	101,408,442	143,270,498	602,338	892,715,533	97,038,499	129,758,710	17,740,758	13,523,014	—878,449,208	—18,886,295
1954.....	263,155,163	229,500,000	-----	943,730,000	39,660,000	174,255,079	-----	4,125,582	—660,864,334	—8,500,000
1955.....	242,000,000	331,000,000	-----	678,300,000	44,000,000	155,300,000	-----	—25,700,000	—330,300,000	—54,000,000
Total:										
1953.....	389,193,577	328,282,718	16,260,914	1,907,596,726	145,372,639	159,469,325	19,700,663	228,292,368	—1,270,109,776	—45,513,145
1954.....	896,866,383	405,973,695	971,572	2,827,674,000	187,824,726	205,936,315	48,380,955	1,319,074,649	—646,929,697	—66,610,582
1955.....	999,821,500	626,704,262	808,742	1,640,370,000	96,740,000	258,145,000	1,628,600	—418,580,000	—788,129,096	—108,545,207
Designated nonbasic commodities:										
Honey:										
1953.....	398,326	48,828	4,170	1,065,383	158,207	16,977	—3,753	4,763	—780,727	4,924
1954.....	420,057	2,108,937	-----	1,045,643	105,000	904,276	-----	—4,763	469,312	—2,995
1955.....	388,000	1,367,000	-----	970,300	97,000	667,000	-----	-----	21,000	—3,000
Milk and butterfat:										
1953.....	-----	22,538,216	65,622	-----	290,575,617	6,866,014	19,758	-----	—274,857,551	—5,240,519
1954.....	-----	86,545,470	-----	-----	352,655,811	24,900,756	-----	-----	—291,011,097	—176,248,629
1955.....	-----	86,200,000	-----	-----	235,210,000	18,247,000	-----	-----	—167,257,000	—279,432,000
Potatoes (liquidation):										
1953.....	-----	-----	69,390	-----	-----	-----	143,048	-----	—73,658	—73,658
Tung oil:										
1953.....	100,476	-----	-----	1,881,979	-----	-----	451	223,985	—1,557,969	—451
1954.....	797,503	-----	-----	1,792,500	-----	47,000	-----	—23,985	—1,065,982	-----
1955.....	597,500	1,195,000	-----	1,792,500	-----	59,000	-----	-----	—59,000	—206,500
Wool:										
1953.....	13,797,809	87,020	429,127	78,472,856	7,505,667	243,345	612,421	268,057	—72,252,276	—15,290
1954.....	18,010,000	16,000,000	-----	42,340,425	3,600,000	3,260,000	325,000	—142,057	—15,657,482	—1,325,000
1955.....	14,530,000	25,200,000	-----	43,200,000	3,540,000	2,354,000	245,000	-----	—9,609,000	—2,245,000
Total:										
1953.....	14,296,611	22,674,064	568,309	81,420,218	298,239,491	7,126,336	771,925	496,805	—349,522,181	—5,324,994
1954.....	19,227,560	104,654,407	-----	45,178,568	356,360,811	29,112,032	325,000	—170,805	—307,265,249	—177,576,624
1955.....	15,515,500	113,962,000	-----	45,962,500	238,847,000	21,327,000	245,000	-----	—176,904,000	—281,886,500
Other:										
1953.....	51,121,978	99,475,545	205,163	133,115,090	244,931,998	15,696,365	1,254,105	1,678,891	—242,515,981	—10,308,220
1954.....	109,127,298	180,949,654	-----	207,724,795	148,868,689	16,133,047	950,000	—2,274,520	—85,874,099	—82,136,485
1955.....	117,219,250	140,880,150	-----	268,234,000	46,955,000	16,136,293	-----	-----	—73,225,893	—96,872,976
Total price support program:										
1953.....	454,612,166	450,432,327	17,034,386	2,122,132,034	688,544,128	182,292,026	21,726,693	230,468,064	—1,862,147,938	—61,146,359
1954.....	1,025,221,241	691,577,756	971,572	3,080,577,363	693,054,226	251,181,394	49,655,955	1,316,629,324	—1,040,069,045	—326,323,691
1955.....	1,132,556,250	881,546,412	808,742	1,954,566,500	382,542,000	295,608,293	1,873,600	—418,580,000	—1,038,258,989	—487,304,683



COMMODITY CREDIT CORPORATION—SCHEDULE 1. *Net receipts and expenditures*—Continued

Program, commodity, and fiscal year	Receipts			Expenditures				Net adjustment: Increase or decrease (—) in loans held by banks	Net receipts or expenditures (—)	Memorandum: Net gain or loss (—)
	Repayments of loans	Sales	Other	Loans	Purchases	Carrying charges	Other			
REGULAR OPERATIONS—Continued										
Supply and foreign purchase:										
1953.....		\$75,805,710	\$10,908,018		\$68,957,641	\$18,047,068	\$14,574,594		—\$14,865,575	\$1,760,080
1954.....		74,708,743	6,616,928		74,006,119	5,855,536			1,464,016	1—20,325
1955.....		41,489,970	16,507,243		27,731,750	2,158,053			28,107,410	1—64,600
Storage facilities program: <sup>2</sup>										
1953.....	\$7,792,128	20,287	230,283	\$7,087,673	842,418			—\$900,743	—788,136	121,488
1954.....	10,319,516			7,700,000	26,000,000		815,000	—500,398	—24,695,882	—815,000
1955.....	11,700,000			6,750,000	1,750,000		1,715,000	—950,000	535,000	—1,715,000
Commodity export program:										
1954.....		68,250,000					85,750,000		—17,500,000	—17,500,000
Loan to Secretary of Agriculture:										
1953.....	57,000,000			35,410,222					21,589,778	
1954.....	14,410,222			31,000,000					—16,589,778	
1955.....	31,000,000								31,000,000	
Subsidy program (liquidation):										
1953.....			74,623						74,623	74,623
Other receipts and expenditures:										
1953.....		8,732	36,355,358		266,154		89,190,829		—53,092,893	—55,092,893
1954.....		8,000	36,290,095		375,000		120,538,826		—84,615,731	—87,115,731
1955.....		4,000	35,703,516		250,000		126,689,233		—91,231,717	—93,731,717
Changes in selected working capital:										
1953.....			329,090,687					—229,567,321	99,523,366	
1954.....			1,329,756,107					—1,316,128,926	13,627,181	
1955.....							423,445,018	419,530,000	—3,915,018	
SPECIAL ACTIVITIES										
Eradication of foot-and-mouth disease:										
1953.....							2,163,351		—2,163,351	
1954.....							5,895,672		—5,895,672	
1955.....							144,000		—144,000	
International Wheat Agreement:										
1953.....							130,786,401		—130,786,401	
1954.....							84,481,612		—84,481,612	
1955.....							89,175,982		—89,175,982	
Emergency assistance to Pakistan:										
1954.....							79,799,000		—79,799,000	
1955.....							1,958,000		—1,958,000	
Emergency feed program: <sup>3</sup>										
1954.....		87,005,937					152,005,937		—65,000,000	—65,000,000
Total:										
1953.....	519,404,294	526,267,056	393,693,355	2,164,629,929	758,610,341	200,339,094	258,441,868		<sup>4</sup> —1,942,656,527	—114,283,061
1954.....	1,049,950,979	921,550,436	1,373,634,702	3,119,277,363	793,435,345	257,036,930	578,942,002		<sup>4</sup> —1,408,555,523	—496,774,747
1955.....	1,175,256,250	923,040,382	53,019,501	1,961,316,500	412,273,750	297,766,346	645,000,833		<sup>4</sup> —1,165,041,296	—582,816,000

<sup>1</sup> It is anticipated that these losses will be recovered in subsequent years.<sup>2</sup> Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.<sup>3</sup> Excludes \$40,000,000 for handling, processing, shipping, and other expenses relating to delivery of feed to disaster areas recovered from funds appropriated by Public Law 175, 83d Cong. On Nov. 16, 1953, the President directed the Corporation to supply feed at reduced prices without reimbursement from presently appropriated funds.<sup>4</sup> Excludes cancellation of notes for prior-year costs of (1) eradication of foot-and-mouth disease, and (2) International Wheat Agreement, not credited to the Treasury checking account of Commodity Credit Corporation. Net expenditures after giving effect to credit for these cancellations would be as follows: 1953, \$1,749,253,745; and 1954, \$1,091,802,791.

COMMODITY CREDIT CORPORATION—SCHEDULE 2. *Loan and inventory operations*

Program, commodity, and fiscal year	Loan operations					Inventory operations			
	Loans outstanding at beginning of year	New loans made	Repayments	Collateral acquired and write-offs	Loans outstanding at end of year	Beginning inventory	Acquisitions and carrying charges	Dispositions	Ending inventory
<b>Price support program:</b>									
<b>Basic commodities:</b>									
<b>Corn:</b>									
1953.....	\$54,893,889	\$482,760,236	\$61,669,095	\$7,794,679	\$468,190,351	\$499,994,926	\$35,402,676	\$164,182,256	\$371,215,346
1954.....	468,190,351	616,335,000	55,725,351	366,600,000	662,200,000	371,215,346	590,784,654	186,000,000	776,000,000
1955.....	662,200,000	434,500,000	247,900,000	422,200,000	426,600,000	776,000,000	555,400,000	223,000,000	1,108,400,000
<b>Cotton:</b>									
1953.....	48,269,946	357,419,012	85,020,597	30,634,296	290,034,065	417,686	66,105,997	33,727,234	32,796,449
1954.....	290,034,065	1,064,375,000	394,410,240	-----	959,998,825	32,796,449	1,000,000	14,100,000	19,696,449
1955.....	959,998,825	329,600,000	334,200,000	223,998,825	731,400,000	19,696,449	241,148,825	102,061,449	158,783,825
<b>Peanuts:</b>									
1953.....	5,708,129	11,731,477	6,451,159	1,070,973	9,917,474	17,432,692	1,809,803	7,944,153	11,298,342
1954.....	9,917,474	78,234,000	60,600,247	27,551,227	-----	11,298,342	28,990,953	31,964,295	8,325,000
1955.....	-----	73,750,000	63,720,000	10,030,000	-----	8,325,000	10,435,000	8,625,000	10,135,000
<b>Rice:</b>									
1953.....	42,278	1,093,036	1,089,603	17,662	28,049	1,570,252	154,329	1,717,163	7,418
1954.....	28,049	5,000,000	5,028,049	-----	-----	7,418	2,582	10,000	-----
1955.....	-----	14,220,000	4,740,000	9,480,000	-----	-----	14,300,000	14,300,000	-----
<b>Tobacco:</b>									
1953.....	194,141,732	161,877,432	133,554,681	3,841,051	218,623,432	1,051,073	1,035,921	872,245	1,214,749
1954.....	218,623,432	120,000,000	117,947,333	1,325,012	219,351,087	1,214,749	19,000	575,587	658,162
1955.....	219,351,087	110,000,000	107,261,500	775,000	221,314,587	658,162	10,000	668,162	-----
<b>Wheat:</b>									
1953.....	46,853,078	892,715,533	101,408,442	741,435,006	96,725,163	364,271,079	985,380,161	162,166,319	1,187,484,921
1954.....	96,725,163	943,730,000	263,155,163	667,000,000	110,300,000	1,187,484,921	880,915,079	238,000,000	1,830,400,000
1955.....	110,300,000	678,300,000	242,000,000	506,300,000	40,300,000	1,830,400,000	705,600,000	385,000,000	2,151,000,000
<b>Total:</b>									
1953.....	349,909,052	1,907,596,726	389,193,577	784,793,667	1,083,518,534	884,737,708	1,089,888,887	370,609,370	1,604,017,225
1954.....	1,083,518,534	2,827,674,000	896,866,383	1,062,476,239	1,951,849,912	1,604,017,225	1,501,712,268	470,649,882	2,635,079,611
1955.....	1,951,849,912	1,640,370,000	999,821,500	1,172,783,825	1,419,614,587	2,635,079,611	1,526,893,825	733,654,611	3,428,318,825
<b>Designated nonbasic commodities:</b>									
<b>Honey:</b>									
1953.....	7,961	1,065,383	398,326	611,819	63,199	-----	784,601	49,425	735,176
1954.....	63,199	1,045,643	420,057	682,480	6,305	735,176	1,691,756	2,111,932	315,000
1955.....	6,305	970,000	388,000	582,000	6,305	315,000	1,346,000	1,370,000	291,000
<b>Milk and butterfat:</b>									
1953.....	-----	-----	-----	-----	-----	5,264,500	297,441,631	27,824,599	274,881,532
1954.....	-----	-----	-----	-----	-----	274,881,532	377,556,567	262,794,099	389,644,000
1955.....	-----	-----	-----	-----	-----	389,644,000	253,457,000	365,632,000	277,469,000
<b>Tung oil:</b>									
1953.....	-----	1,881,979	100,476	-----	1,781,503	-----	-----	-----	-----
1954.....	1,781,503	1,792,500	797,503	1,342,500	1,434,000	-----	1,389,500	-----	1,389,500
1955.....	1,434,000	1,792,500	597,500	1,195,000	1,434,000	1,389,500	1,254,000	1,401,500	1,242,000
<b>Wool:</b>									
1953.....	3,080,547	78,472,856	13,797,809	58,746,019	9,009,575	-----	66,651,082	75,067	66,576,015
1954.....	9,009,575	42,340,425	18,010,000	29,140,000	4,200,000	66,576,015	36,000,000	17,000,000	85,576,015
1955.....	4,200,000	43,200,000	14,530,000	28,670,000	4,200,000	85,576,015	34,564,000	27,200,000	92,940,015
<b>Total:</b>									
1953.....	3,088,508	81,420,218	14,296,611	59,357,838	10,854,277	5,264,500	364,877,314	27,949,091	342,192,723
1954.....	10,854,277	45,178,568	19,227,560	31,164,980	5,640,305	342,192,723	416,637,823	281,906,031	476,924,515
1955.....	5,640,305	45,962,500	15,515,500	30,447,000	5,640,305	476,924,515	290,621,000	395,603,500	371,942,015
<b>Other:</b>									
1953.....	10,922,025	133,115,090	51,121,978	49,695,223	43,219,914	183,238,190	330,572,364	121,283,935	392,526,619
1954.....	43,219,914	207,724,795	109,127,298	121,071,661	20,745,750	392,526,619	325,923,397	293,086,139	425,363,877
1955.....	20,745,750	268,234,000	117,219,250	154,385,000	17,375,500	425,363,877	256,876,293	267,753,126	414,487,044
<b>Total price support program:</b>									
1953.....	363,919,585	2,122,132,034	454,612,166	893,846,728	1,137,592,725	1,073,240,398	1,785,338,565	519,842,396	2,338,736,567
1954.....	1,137,592,725	3,080,577,363	1,025,221,241	1,214,712,880	1,978,235,967	2,338,736,567	2,244,273,488	1,045,642,052	3,537,368,003
1955.....	1,978,235,967	1,954,566,500	1,132,556,250	1,357,615,825	1,442,630,392	3,537,368,003	2,074,391,118	1,397,011,237	4,214,747,884
<b>Supply and foreign purchase:</b>									
1953.....	-----	-----	-----	-----	-----	57,641,854	101,126,088	84,500,433	74,267,509
1954.....	-----	-----	-----	-----	-----	74,267,509	79,861,655	81,345,996	72,783,168
1955.....	-----	-----	-----	-----	-----	72,783,168	29,889,803	58,061,813	44,611,158
<b>Storage facilities program: <sup>1</sup></b>									
1953.....	25,782,766	7,087,673	7,792,128	108,795	24,969,516	-----	-----	-----	-----
1954.....	24,969,516	7,700,000	10,319,516	-----	22,350,000	-----	-----	-----	-----
1955.....	22,350,000	6,750,000	11,700,000	-----	17,400,000	-----	-----	-----	-----

<sup>1</sup> Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.



COMMODITY CREDIT CORPORATION—SCHEDULE 2. *Loan and inventory operations*—Continued

Program, commodity, and fiscal year	Loan operations					Inventory operations			
	Loans outstanding at beginning of year	New loans made	Repayments	Collateral acquired and write-offs	Loans outstanding at end of year	Beginning inventory	Acquisitions and carrying charges	Dispositions	Ending inventory
<b>Commodity export program:</b>									
1954.....							\$85,750,000	\$85,750,000	
<b>Emergency feed program: <sup>2</sup></b>									
1954.....							152,005,937	152,005,937	
<b>Loan to Secretary of Agriculture:</b>									
1953.....	\$36,000,000	\$35,410,222	\$57,000,000		\$14,410,222				
1954.....	14,410,222	31,000,000	14,410,222		31,000,000				
1955.....	31,000,000		31,000,000						
<b>Total all programs:</b>									
1953.....	425,702,351	2,164,629,929	519,404,294	\$893,955,523	1,176,972,463	\$1,130,882,252	1,886,464,653	604,342,829	\$2,413,004,076
1954.....	1,176,972,463	3,119,277,363	1,049,950,979	1,214,712,880	2,031,585,967	2,413,004,076	2,561,891,080	1,364,743,985	3,610,151,171
1955.....	2,031,585,967	1,961,316,500	1,175,256,250	1,357,615,825	1,460,030,392	3,610,151,171	2,104,280,921	1,455,073,050	4,259,359,042

<sup>2</sup> Excludes \$40,000,000 for handling, processing, shipping, and other expenses relating to delivery of feed to disaster areas recovered from funds appropriated by Public Law 175 83d Cong. On Nov. 16, 1953, the President directed the Corporation to supply feed at reduced prices without reimbursement from presently appropriated funds.

COMMODITY CREDIT CORPORATION—SCHEDULE 3. *Summary of operating program results*

Program, commodity, and fiscal year	Operating results							Memorandum	
	Sales proceeds	Cost of goods sold	Gross gain or loss (—) on sales	Donations	Loan write-offs and other program income and expenses (net)	Transfers	Realized gain or loss (—)	Increase or decrease (—) in valuation allowances	Valuation allowances as of June 30
<b>Price support program:</b>									
<b>Basic commodities:</b>									
<b>Corn:</b>									
1953.....	\$143,659,288	\$164,182,256	—\$20,522,968		—\$3,555		—\$20,526,523	\$89,117,000	\$89,117,000
1954.....	145,000,000	186,000,000	—41,000,000				—41,000,000	76,803,000	165,920,000
1955.....	174,000,000	223,000,000	—49,000,000				—49,000,000	112,540,000	278,460,000
<b>Cotton:</b>									
1953.....	34,028,358	33,727,234	301,124		—384,296	1 —\$3,736	—86,908	3,871,000	3,893,000
1954.....	14,500,000	14,100,000	400,000		—224,535		175,465	2,607,000	6,500,000
1955.....	102,911,100	102,061,449	849,651		—474,404		375,247	720,000	7,220,000
<b>Peanuts:</b>									
1953.....	5,011,666	7,944,153	—2,932,487		—43,394		—2,975,881	4,520,000	10,291,000
1954.....	16,471,728	31,964,295	—15,492,567		—80,000		—15,572,567	—5,867,000	4,424,000
1955.....	3,900,000	8,625,000	—4,725,000		—71,000		—4,796,000	1,458,000	5,882,000
<b>Rice:</b>									
1953.....	1,440,663	1,717,163	—276,500		—1,361		—277,861		
1954.....	6,380	10,000	—3,620				—3,620		
1955.....	14,300,000	14,300,000							
<b>Tobacco:</b>									
1953.....	872,245	872,245			—2,759,677		—2,759,677	952,000	4,174,000
1954.....	495,587	575,587	—80,000		—1,629,860		—1,709,860	—1,124,000	3,050,000
1955.....	593,162	668,162	—75,000		—1,049,454		—1,124,454	—350,000	2,700,000
<b>Wheat:</b>									
1953.....	143,270,498	162,166,319	—18,895,821		9,526		—18,886,295	153,127,000	203,058,000
1954.....	229,500,000	238,000,000	—8,500,000				—8,500,000	213,187,000	416,245,000
1955.....	331,000,000	385,000,000	—54,000,000				—54,000,000	92,465,000	508,710,000
<b>Total:</b>									
1953.....	328,282,718	370,609,370	—42,326,652		—3,182,757	—3,736	—45,513,145	251,587,000	310,533,000
1954.....	405,973,695	470,649,882	—64,676,187		—1,934,395		—66,610,582	285,606,000	596,139,000
1955.....	626,704,262	733,654,611	—106,950,349		—1,594,858		—108,545,207	206,833,000	802,972,000
<b>Designated nonbasic commodities:</b>									
<b>Honey:</b>									
1953.....	48,828	49,425	—597		5,521		4,924		
1954.....	2,108,937	2,111,932	—2,995				—2,995	2,000	2,000
1955.....	1,367,000	1,370,000	—3,000				—3,000	—1,000	1,000
<b>Milk and butterfat:</b>									
1953.....	22,538,216	25,891,413	—3,353,197	—\$1,933,186	45,864		—5,240,519	160,521,000	161,054,000
1954.....	86,545,470	153,752,808	—67,207,338	—109,041,291			—176,248,629	107,376,000	268,430,000
1955.....	86,200,000	150,632,000	—64,432,000	—215,006,000			—279,432,000	—118,731,000	149,699,000
<b>Potatoes: 1953.....</b>					—73,658		—73,658		

<sup>1</sup> Provision for producers' equity.

COMMODITY CREDIT CORPORATION—SCHEDULE 3. *Summary of operating program results—Continued*

Program, commodity, and fiscal year	Operating results							Memorandum	
	Sales proceeds	Cost of goods sold	Gross gain or loss (—) on sales	Donations	Loan write-offs and other program income and expenses (net)	Transfers	Realized gain or loss (—)	Increase or decrease (—) in valuation allowances	Valuation allowances as of June 30
<b>Price support program—Con. Designated nonbasic commodities—Continued</b>									
<b>Tung oil:</b>									
1953.....					—\$451		—\$451	\$18,000	\$18,000
1954.....								177,000	195,000
1955.....	\$1,195,000	\$1,401,500	—\$206,500				—206,500	—148,000	47,000
<b>Wool:</b>									
1953.....	87,020	75,067	11,953		—27,243		—15,290	3,417,000	3,417,000
1954.....	16,000,000	17,000,000	—1,000,000		—325,000		—1,325,000	—917,000	2,500,000
1955.....	25,200,000	27,200,000	—2,000,000		—245,000		—2,245,000	—500,000	2,000,000
<b>Total:</b>									
1953.....	22,674,064	26,015,905	—3,341,841	—\$1,933,186	—49,967		—5,324,994	163,956,000	164,489,000
1954.....	104,654,407	172,864,740	—68,210,333	—109,041,291	—325,000		—177,576,624	106,638,000	271,127,000
1955.....	113,962,000	180,603,500	—66,641,500	—215,000,000	—245,000		—281,886,500	—119,380,000	151,747,000
<b>Other:</b>									
1953.....	110,967,445	120,537,126	—9,569,681	—746,809	8,270		—10,308,220	94,645,000	148,754,000
1954.....	210,949,654	293,086,139	—82,136,485				—82,136,485	20,917,000	169,671,000
1955.....	170,880,150	267,753,126	—96,872,976				—96,872,976	—58,169,000	111,502,000
<b>Total price support program:</b>									
1953.....	461,924,227	517,162,401	—55,238,174	—2,679,995	—3,224,454	—\$3,736	—61,146,359	510,188,000	623,776,000
1954.....	721,577,756	936,600,761	—215,023,005	—109,041,291	—2,259,395		—326,323,691	413,161,000	1,036,937,000
1955.....	911,546,412	1,182,011,237	—270,464,825	—215,000,000	—1,839,858		—487,304,683	29,284,000	1,066,221,000
<b>Supply and foreign purchase:</b>									
1953.....	75,805,710	84,500,433	—8,694,723		1,336,299	<sup>2</sup> 9,118,504	1,760,080		
1954.....	74,708,743	81,345,996	—6,637,253			<sup>2</sup> 6,616,928	<sup>3</sup> —20,325		
1955.....	41,489,970	58,061,813	—16,571,843			<sup>2</sup> 16,507,243	<sup>3</sup> —64,600		
<b>Storage facilities program: <sup>4</sup></b>									
1953.....					121,488		121,488		
1954.....					—815,000		—815,000		
1955.....					—1,715,000		—1,715,000		
<b>Commodity export program: <sup>5</sup></b>									
1954.....	68,250,000	85,750,000	—17,500,000				—17,500,000		
<b>Subsidy program (in liquidation):</b>									
1953.....					74,623		74,623		
<b>Emergency feed program: <sup>6</sup></b>									
1954.....	87,005,937	152,005,937	—65,000,000				—65,000,000		
<b>Total all programs:</b>									
1953.....	537,729,937	601,662,834	—63,932,897	—2,679,995	—1,692,044	9,114,768	—59,190,168	510,188,000	623,776,000
1954.....	951,542,436	1,255,702,694	—304,160,258	—109,041,291	—3,074,395	6,616,928	—409,659,016	413,161,000	1,036,937,000
1955.....	953,036,382	1,240,073,050	—287,036,668	—215,000,000	—3,554,858	16,507,243	—489,084,283	29,284,000	1,066,221,000

<sup>2</sup> Losses recoverable from other funds.<sup>3</sup> It is anticipated that these losses will be recovered in subsequent years.<sup>4</sup> Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.<sup>5</sup> Excludes International Wheat Agreement costs, which are recoverable from appropriations, and which are included in accounts receivable in "C. Statement of Financial Condition."<sup>6</sup> Excludes \$40,000,000 for handling, processing, shipping, and other expenses relating to delivery of feed to disaster areas recovered from funds appropriated by Public Law 175, 83d Cong. On Nov. 16, 1953, the President directed the Corporation to supply feed at reduced prices without reimbursement from presently appropriated funds.



COMMODITY CREDIT CORPORATION—SCHEDULE 4. *Analysis of retained earnings and results of Treasury appraisals*

## PART 1. ANALYSIS OF RETAINED EARNINGS

	Cumulative, Oct. 17, 1933, to June 30, 1952	1953 fiscal year actual		1954 fiscal year estimate		1955 fiscal year estimate	
		Year	Cumulative	Year	Cumulative	Year	Cumulative
Net operating loss (—), excluding cost of wartime consumer subsidy program.....	—\$1,059,927,623	—\$626,778,850	—\$1,686,706,473	—\$911,000,000	—\$2,597,706,473	—\$613,100,000	—\$3,210,806,473
Adjustments for recovery of price support losses:							
Charges to reserve for postwar price support.....	500,000,000		500,000,000		500,000,000		500,000,000
Recovery from Secretary of the Treasury <sup>1</sup> .....	56,239,432		56,239,432		56,239,432		56,239,432
Net operating loss (—), excluding cost of wartime consumer subsidy program.....	—503,688,191	—626,778,850	—1,130,467,041	—911,000,000	—2,041,467,041	—613,100,000	—2,654,567,041
Income or cost (—) of wartime consumer subsidy program.....	—2,102,061,818	74,623	—2,101,987,195		—2,101,987,195		—2,101,987,195
Net restoration of capital from Treasury as determined by Treasury appraisals (see pt. 2).....	2,385,528,508	109,391,154	2,494,919,662	738,205,161	3,233,124,823		3,233,124,823
Deficit (—).....	<sup>2</sup> —220,221,501	—517,313,073	—737,534,574	—172,794,839	—910,329,413	—613,100,000	—1,523,429,413

## PART 2. RESULTS OF TREASURY APPRAISALS

Appraisal period	Restoration of capital impairment as determined by appraisal		Analysis of capital impairment	
	Cumulative	Appraisal period	CCC program and operating expenses, excluding wartime consumer subsidies	Wartime consumer subsidies
October 17, 1933–March 31, 1935.....	\$94,285,405	\$94,285,405	\$94,285,405	
Year ending March 31:				
1939.....	213,885,323	119,599,918	119,599,918	
1940.....	170,128,592	—43,756,731	—43,756,731	
1941.....	171,766,037	1,637,445	1,637,445	
1942.....	143,950,524	—27,815,513	—30,615,513	<sup>3</sup> \$2,800,000
1943.....	143,950,524	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
1944.....	400,715,405	256,764,881	—151,657,230	408,422,111
15 months ending June 30, 1945 <sup>5</sup> .....	1,322,171,966	921,456,561	45,222,906	876,233,655
Year ending June 30:				
1946.....	1,964,004,046	641,832,080	—208,705,074	850,537,154
1947.....	1,946,310,554	—17,693,492	12,081,998	—29,775,490
1948.....	1,897,367,544	—48,943,010	—44,917,881	—4,025,129
1949.....	1,964,066,001	66,698,457	68,934,239	—2,235,782
1950.....	2,385,528,508	421,462,507	421,349,156	113,351
1951.....	2,494,919,662	109,391,154	109,132,783	258,371
1952.....	2,591,124,823	96,205,161	96,471,584	—266,423
1953 estimate.....	3,233,124,823	642,000,000	642,074,623	—74,623
Net impairment, Commodity Credit Corporation programs and operating expenses.....			1,131,137,628	
Net impairment, wartime consumer subsidies.....				2,101,987,195

<sup>1</sup> Pursuant to the Foreign Aid Act of 1947 (Public Law 389, 80th Cong.) and Third Supplemental Appropriation Act of 1948 (Public Law 393, 80th Cong.)

<sup>2</sup> Of this amount, \$109,391,154, representing the deficit as of June 30, 1951, as appraised by the Treasury, was restored in July 5, 1952, and \$96,205,161, representing the deficit as of June 30, 1952, as appraised by the Treasury, was restored on July 28, 1953.

<sup>3</sup> Estimated amount applicable to appraisal period.

<sup>4</sup> The impairment of \$39,436,885 for the appraisal period ending March 31, 1943, was not restored until after the following year's appraisal and is included in the amount shown for 1944 appraisal period.

<sup>5</sup> The act of March 8, 1938, as amended by the act approved April 12, 1945, changed the date of appraisal to June 30 of each year. Therefore, the impairment as of June 30, 1945, covers a 15-month period.

## LIMITATION ON EXPENSES

## Administrative Expenses, Commodity Credit Corporation

Commodity Credit Corporation: Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed **[\$17,100,000]** \$18,000,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$600,000 of this authorization shall be placed in reserve to be apportioned pursuant to Section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real

or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That the Secretary of the Treasury is hereby authorized and directed to discharge indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury by canceling notes issued by the Corporation to the Secretary of the Treasury in the amount of the capital impairment determined by the appraisal of June 30, 1952, pursuant to sections 1 and 4 of the Act of March 8, 1938, as amended (15 U. S. C. 713a–1, 4) \$96,205,161. (7 U. S. C. 624, 1282, 1301, 1385, 1391c, 1421–1450, 1641–1642; 15 U. S. C. 712a, 713a–4–10, 714–714o; 31 U. S. C. 841, 846–852, 866–868c, 869; 50 U. S. C. 1917; 66 Stat. 27; 66 Stat. 442; 66 Stat. 597; 66 Stat. 758; Act of June 25, 1953, Public Law 77; Act of July 31, 1953, Public Law 175; Act of August 1, 1953, Public Law 180; Act of August 7, 1953, Public Law 216; Department of Agriculture Appropriation Act, 1954.)

## AMOUNTS AVAILABLE FOR ADMINISTRATIVE EXPENSES

	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
Limitation or estimate.....	\$16,492,110	\$17,100,000	\$18,000,000
Proposed supplemental due to increased volume of operations.....		2,610,000	
Unobligated balance, estimated savings.....	-583,390		
Total direct administrative expenses.....	15,908,720	19,710,000	18,000,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
Rendered to Department of Agriculture appropriations (distributed by objects under reimbursing appropriations).....	4,819,916	3,571,312	3,178,956
Rendered other appropriations (distributed by objects included in this schedule).....	1,585,304	2,018,783	1,074,560
Total obligations payable out of reimbursements from other accounts.....	6,405,220	5,590,095	4,253,516
Total administrative expenses.....	22,313,940	25,300,095	22,253,516
Deduct reimbursements rendered Department of Agriculture appropriations.....	4,819,916	3,571,312	3,178,956
Total administrative expenses incurred.....	17,494,024	21,728,783	19,074,560

## ADMINISTRATIVE EXPENSES BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations</i>			
1. Price support program.....	\$14,895,430	\$18,583,400	\$16,875,000
2. Storage facilities program.....	1,002,006	1,110,000	1,110,000
3. Commodity export program.....	6,437	15,000	15,000
4. Subsidy program (in liquidation).....	4,847	1,600	
Total direct administrative expenses.....	15,908,720	19,710,000	18,000,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
1. Supply and foreign purchase program.....	1,019,472	1,098,365	701,265
2. Emergency feed program.....		400,000	50,000
3. International wheat agreement.....	298,442	282,023	282,295
4. School-lunch program.....	146,152	158,019	
5. Miscellaneous reimbursements.....	121,238	80,376	41,000
Total obligations payable out of reimbursements from other accounts.....	1,585,304	2,018,783	1,074,560
Total administrative expenses.....	17,494,024	21,728,783	19,074,560

## ADMINISTRATIVE EXPENSES BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Summary of Personal Services</i>			
<i>Direct Positions</i>			
Total number of permanent positions.....	3,207	3,672	3,550
Full-time equivalent of all other positions.....	12	2	2
Average number of all employees.....	2,434	3,338	2,953
<i>Positions Payable Out of Reimbursements From Other Accounts</i>			
Total number of permanent positions.....	290	330	195
Average number of all employees.....	244	308	173
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,370	\$4,206	\$4,191
Average grade.....	GS-5.6	GS-5.2	GS-5.2
Personal service obligations:			
Permanent positions.....	\$12,027,000	\$15,244,106	\$13,265,790
Other positions.....	3,767	3,428	4,120
Regular pay in excess of 52-week base.....	44,563	56,967	49,783
Payment above basic rates.....	230,798	252,038	72,825
Total personal service obligations.....	12,306,128	15,556,539	13,392,518
<i>Direct Obligations</i>			
01 Personal services.....	11,046,715	13,941,208	12,472,820
02 Travel.....	517,121	648,000	626,800
03 Transportation of things.....	56,551	106,400	54,300
04 Communication services.....	249,355	475,532	420,555
05 Rents and utility services.....	732,213	997,900	992,500
06 Printing and reproduction.....	285,230	345,800	315,700
07 Other contractual services.....	94,030	67,900	58,900
Services performed by other agencies.....	2,797,113	2,900,224	2,900,924
08 Supplies and materials.....	105,096	147,500	118,300

## ADMINISTRATIVE EXPENSES BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<i>Direct Obligations—Continued</i>			
09 Equipment.....	\$1,334	\$2,000	\$4,000
13 Refunds, awards, and indemnities.....	3,168	5,100	5,100
15 Taxes and assessments.....	20,794	72,436	30,101
Total direct administrative expenses.....	15,908,720	19,710,000	18,000,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	1,259,413	1,615,331	919,698
02 Travel.....	49,334	68,460	40,780
03 Transportation of things.....	6,082	3,690	2,910
04 Communication services.....	37,180	101,328	24,120
05 Rents and utility services.....	38,785	24,760	14,800
06 Printing and reproduction.....	11,638	12,630	8,080
07 Other contractual services.....	9,491	12,460	11,000
Services performed by other agencies.....	161,483	161,638	44,268
08 Supplies and materials.....	8,680	13,250	6,510
09 Equipment.....	1,737	2,250	1,350
13 Refunds, awards, and indemnities.....	123	180	80
15 Taxes and assessments.....	1,358	2,806	964
Total obligations payable out of reimbursements from other accounts.....	1,585,304	2,018,783	1,074,560
Total administrative expenses.....	17,494,024	21,728,783	19,074,560

## FEDERAL CROP INSURANCE CORPORATION

[Submitted under the Government Corporation Control Act]

NOTE.—Operating and administrative expenses of the Corporation are financed by general fund appropriation and shown under current authorizations.

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year [1954] 1955 for such corporation or agency, except as hereinafter provided:

Federal Crop Insurance Corporation: *Provided, That the direct costs of loss adjusters for crop inspections and loss adjustments may be considered as nonadministrative or nonoperating expenses. (Department of Agriculture Appropriation Act, 1954.)*

Capital and Insurance Fund, Federal Crop Insurance Corporation

## BUSINESS-TYPE STATEMENTS

## PROGRAM HIGHLIGHTS

[Dollars in thousands]

	Fiscal year 1953 (crop year 1952) actual	Fiscal year 1954 (crop year 1953) estimate	Fiscal year 1955 (crop year 1954) estimate
Number of county programs.....	877	922	910
Number of commodities insured.....	38	38	32
Number of contracts in force.....	340,686	406,630	420,000
Estimated insurance coverage.....	\$347,628	\$441,200	\$457,300
Premiums.....	\$21,208	\$27,171	\$29,382
Indemnities.....	\$20,612	\$29,523	\$25,305
Loss ratio.....	0.97	1.09	0.86

## PURPOSE AND FINANCIAL ORGANIZATION

The Federal Crop Insurance Corporation was created to furnish protection for the farmer's investment in producing crops against loss from unavoidable causes (7 U. S. C. 1501-1519). All insurance programs are conducted on a limited basis to develop the experience necessary for the operation of a sound all-risk crop insurance plan on a national basis.

Capital stock of \$100,000,000 is authorized to be subscribed by the United States (7 U. S. C. 1504, 1504a). The Secretary of the Treasury holds receipts for \$27,-



## PUBLIC ENTERPRISE FUNDS—Continued

## FEDERAL CROP INSURANCE CORPORATION—Continued

*Capital and Insurance Fund, Federal Crop Insurance Corporation—Continued*

000,000 of the authorized capital stock, leaving \$73,000,000 unissued. The earned surplus as of June 30, 1953, was \$1,946,521, making a total capital of \$28,946,521.

## ANALYSIS OF BUDGET PROGRAMS

Although developed and analyzed mainly in the headquarters office, the insurance programs are administered in the field by 19 Federal Crop Insurance Corporation State offices. Subsequent to January 1, 1954, the sales and servicing of contracts at the county level will be performed by private individuals through contractual agreements with the Corporation.

There will be 910 county programs in effect for crop-year 1954 (fiscal year 1955), furnishing coverage on wheat, cotton, flax, corn, tobacco, beans, citrus, and multiple crops. It is estimated that total participation will be 420,000 contracts as compared to 406,630 contracts in force for crop year 1953.

Appropriations of up to \$12,000,000 for any fiscal year are authorized for the administrative and operating expenses of the Corporation (7 U. S. C. 1516a). Administrative expenses for the fiscal year 1955 are estimated to be \$5,700,000, compared with \$7,450,000 in 1954 and \$6,918,251 in 1953. Beginning with the 1955 fiscal year, the direct loss adjustment costs incurred by adjusters in connection with crop inspections and loss adjustments will be considered as nonadministrative expense, and as such will be payable from premium income rather than administrative funds.

## FINANCING OPERATIONS

The 1952 crop-year program resulted in net budget receipts of \$1,097,180 in fiscal year 1953; the 1953 crop-year program is expected to result in net budget expenditures of \$1,926,285 in fiscal 1954; and the 1954 crop-year program is expected to result in net budget receipts of \$2,580,425 in fiscal 1955.

## OPERATING RESULTS AND RETAINED EARNINGS

During the 1952 crop year severe drought situations existed in many of the major producing areas where crop insurance participation was heavy. Until well past the middle of the crop year it appeared that indemnities would exceed total premiums. However, as a result of late rains, mainly in the North Dakota area, and in the Southeastern States, crops recovered to a large extent and the final overall loss ratio for the 1952 crop year was 0.97. The multiple-crop program was the only one for which premiums did not exceed indemnities. In this program there was a deficit of \$4 million due mainly to heavy drought losses in the Southwestern States, North Dakota, and Tennessee.

Crop year 1953 (fiscal year 1954) is also one of severe drought disaster in several sections of the country. Based on current estimates, indemnities will exceed premiums by approximately \$2½ million.

While it is impossible to accurately predict crop conditions for crop year 1954 (fiscal year 1955), a net income of about \$2¼ million is anticipated, based on the assumption that 90 percent of net premiums earned will be expended for indemnity losses and loss adjustment costs. This assumption is predicated on premium rates which are so established as to provide a 10-percent reserve for unforeseen losses.

The following table gives a summary of insurance operations for fiscal years 1953, 1954, and 1955:

SUMMARY OF INSURANCE OPERATIONS

	1953 actual		1954 estimate (1953 crop year)	1955 estimate (1954 crop year)
	Prior crop year adjustments	1952 crop year		
Beans:				
Premiums.....	-\$601	\$197,972	\$230,320	\$277,000
Indemnities.....	1,055	110,079	172,200	239,000
Profit or loss (—).....	-1,656	87,893	58,120	38,000
Citrus:				
Premiums.....		55,982	62,490	78,000
Indemnities.....		2,418	359,600	67,000
Profit.....		53,564	62,490	11,000
Corn:				
Premiums.....	-715	1,350,232	1,666,560	1,800,000
Indemnities.....	700	338,545	359,600	1,551,000
Profit or loss (—).....	-1,415	1,011,687	1,306,960	249,000
Cotton:				
Premiums.....	-4,841	2,079,247	2,381,950	2,604,000
Indemnities.....	-14,093	922,003	2,078,800	2,242,000
Profit.....	9,252	1,157,244	303,150	362,000
Flax:				
Premiums.....	-41	512,054	825,120	879,000
Indemnities.....	-146	406,697	764,800	757,000
Profit.....	105	105,357	60,320	122,000
Multiple crops:				
Premiums.....	-423	3,022,630	3,858,340	4,151,000
Indemnities.....	120	7,048,554	3,432,400	3,576,000
Profit or loss (—).....	-543	-4,025,924	425,940	575,000
Tobacco:				
Premiums.....	-2,353	1,544,707	2,055,060	2,370,000
Indemnities.....	-2,174	1,212,418	2,354,300	2,041,000
Profit or loss (—).....	-179	332,289	-299,240	329,000
Wheat:				
Premiums.....	-9,640	12,445,499	16,090,800	17,223,000
Indemnities.....	-12,693	10,570,843	20,360,400	14,832,000
Profit or loss (—).....	3,053	1,874,656	-4,269,600	2,391,000
Premium surplus or deficit (—).....	8,617	596,766	-2,351,860	4,077,000
Other income and expense (—) net.....	-52,099		-96,706	-1,371,000
Net income or loss (—).....		553,284	-2,448,566	2,706,000

The total retained earnings estimated at \$2,203,955 on June 30, 1955, consist of insurance reserves accumulated, in accordance with sound insurance principles, in good crop years and will be used by the Corporation in absorbing losses during below-average crop years.

FEDERAL CROP INSURANCE CORPORATION—A. *Statement of sources and application of funds*

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
<b>To Operations</b>			
<b>Expenses: <sup>1</sup></b>			
Indemnities.....	\$20,579,428	\$29,522,500	\$25,305,000
Loss adjustment and inspection costs.....			1,265,000
Charge-off of premiums and other receivables.....	146,225	300,000	200,000
<b>Increase in selected working capital.....</b>			206,575
Total applied to operations.....	\$20,725,653	\$29,822,500	\$26,976,575
<b>To Financing</b>			
<b>Increase in Treasury cash.....</b>	1,097,180		2,580,425
<b>Total funds applied.....</b>	21,822,833	29,822,500	29,557,000
<b>FUNDS PROVIDED</b>			
<b>By Operations</b>			
<b>Income:</b>			
Premiums.....	21,185,873	27,170,640	29,382,000
Interest.....	159,977	175,000	175,000
Other income.....	1,036		
<b>Decrease in selected working capital.....</b>	475,947	550,575	
Total provided by operations.....	21,822,833	27,896,215	29,557,000
<b>By Financing</b>			
<b>Decrease in Treasury cash.....</b>		1,926,285	
<b>Total funds provided.....</b>	21,822,833	29,822,500	29,557,000

**EFFECT ON BUDGET EXPENDITURES**

Funds applied to operations.....	\$20,725,653	\$29,822,500	\$26,976,575
Funds provided by operations.....	21,822,833	27,896,215	29,557,000
<b>Net effect on budget expenditures.....</b>	-1,097,180	1,926,285	-2,580,425
The above are charged or credited (—) to receipts of the enterprise.....	-1,097,180	1,926,285	-2,580,425

<sup>1</sup> Does not include funds appropriated annually for administrative expenses.FEDERAL CROP INSURANCE CORPORATION—B. *Statement of income and expense*

	1953 actual	1954 estimate	1955 estimate
<b>Income:</b>			
Insurance premiums.....	\$21,185,873	\$27,170,640	\$29,382,000
Interest on premium notes.....	159,977	175,000	175,000
Other income.....	1,036		
Total income.....	\$21,346,886	\$27,345,640	\$29,557,000
<b>Expenses: <sup>1</sup></b>			
Indemnities.....	20,579,428	29,522,500	25,305,000
Loss adjustment and inspection costs.....			1,265,000
Charge-off of premiums and other receivables.....	146,225	300,000	200,000
Increase or decrease (—) in allowance for losses on premiums and other receivables.....	67,949	-28,294	81,000
Total expenses.....	20,793,602	29,794,206	26,851,000
<b>Net income or loss (—) for the year.....</b>	553,284	-2,448,566	2,706,000

**ANALYSIS OF RETAINED EARNINGS**

Retained earnings, beginning of year.....	\$1,393,237	\$1,946,521	—\$502,045
Net income for the year.....	553,284	-2,448,566	2,706,000
<b>Retained earnings, end of year.....</b>	1,946,521	-502,045	2,203,955

<sup>1</sup> Does not include funds appropriated annually for administrative expenses.



FEDERAL CROP INSURANCE CORPORATION—C. *Statement of financial condition*

	1952 actual	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>				
<b>Cash:</b>				
With Treasury.....	\$31,323,855	\$32,421,035	\$30,494,750	\$33,075,175
On hand and in transit.....	233,268	200		
Total cash.....	31,557,123	32,421,235	30,494,750	33,075,175
<b>Premiums and other receivables.....</b>	<b>7,605,812</b>	<b>8,435,031</b>	<b>8,581,014</b>	<b>8,624,416</b>
Less allowance for losses.....	2,401,354	2,505,930	2,477,636	2,558,636
Net receivables.....	5,204,458	5,929,101	6,103,378	6,065,780
<b>Total assets.....</b>	<b>36,761,581</b>	<b>38,350,336</b>	<b>36,598,128</b>	<b>39,140,955</b>
<b>LIABILITIES</b>				
<b>Indemnities and other payables.....</b>	<b>98,700</b>	<b>204,136</b>	<b>200,000</b>	<b>200,000</b>
<b>Deferred credits.....</b>	<b>8,208,017</b>	<b>9,174,679</b>	<b>9,875,173</b>	<b>9,712,000</b>
<b>Other liabilities:</b>				
Provision for surety losses.....	25,000	25,000	25,000	25,000
Provision for adjustments (1942-47 crop years).....	36,627			
<b>Total liabilities.....</b>	<b>8,368,344</b>	<b>9,403,815</b>	<b>10,100,173</b>	<b>9,937,000</b>
<b>INVESTMENT OF U. S. GOVERNMENT</b>				
<b>Non-interest-bearing investment:</b>				
Capital stock.....	27,000,000	27,000,000	27,000,000	27,000,000
Retained earnings: Insurance reserves:				
Beans.....	-431,849	-345,612	-287,492	-249,492
Citrus.....	81,614	135,178	197,668	208,668
Corn.....	-774,065	236,207	1,543,167	1,792,167
Cotton.....	-3,553,337	-2,386,841	-2,683,691	-1,721,691
Flax.....	1,620,660	1,726,122	1,786,442	1,908,442
Multiple crops.....	-1,018,009	-5,044,476	-4,618,536	-4,043,536
Tobacco.....	2,013,991	2,346,101	2,046,861	2,375,861
Wheat.....	3,705,751	5,583,460	1,313,860	3,704,860
Undistributed.....	-251,519	-303,618	-400,324	-1,771,324
Total retained earnings.....	1,393,237	1,946,521	-502,045	2,203,955
<b>Total investment of U. S. Government.....</b>	<b>28,393,237</b>	<b>28,946,521</b>	<b>26,497,955</b>	<b>29,203,955</b>
<b>Total liabilities and investment of U. S. Government.....</b>	<b>36,761,581</b>	<b>38,350,336</b>	<b>36,598,128</b>	<b>39,140,955</b>

NOTE.—Selected working capital (other than cash with Treasury) included above is as follows: June 30, 1952, —\$467,637; 1953, —\$943,584; 1954, —\$1,494,159; 1955, —\$1,287,584.

**FARMERS' HOME ADMINISTRATION**

*Farm Tenant-Mortgage Insurance Fund, Department of Agriculture*

**BUSINESS-TYPE STATEMENTS****PROGRAM AND PERFORMANCE**

The initial fund of \$1,000,000 is supplemented by charges collected from insured mortgagors and such inspection and appraisal fees and other charges as the Secretary finds necessary. Receipts are available for administrative expenses and to cover possible losses (7 U. S. C. 1005a).

*A. Statement of sources and application of funds*

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Acquisition of assets:			
Loans made:			
For payments of delinquent installments.....	\$173,880	\$300,000	\$425,000
For advances on behalf of mortgagors.....	17,610	30,000	40,000
For purchase of mortgages.....	79,880	350,000	500,000
Acquired real estate.....	1,164		
Expenses: Contractual services paid to Farmers' Home Administration.....	233,000	260,000	322,000
Increase in selected working capital.....	112,063		
Total applied to operations.....	617,597	940,000	1,287,000
<b>To financing: Increase in Treasury cash.....</b>	<b>160,473</b>	<b>180,800</b>	
<b>Total funds applied.....</b>	<b>778,070</b>	<b>1,120,800</b>	<b>1,287,000</b>

*A. Statement of sources and application of funds—Continued*

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Realization of assets:			
Loan repayments:			
On payments of delinquent installments.....	\$103,317	\$160,000	\$200,000
On advances on behalf of borrowers.....		19,000	3,000
On purchase of mortgages.....	18,202	150,000	21,000
Sale of mortgages.....		100,000	100,000
Acquired real estate.....	4,850	100,000	100,000
Income:			
Insurance premiums.....	299,565	310,000	340,000
Administrative expense charges.....	299,565	310,000	340,000
Interest on investments.....	25,000	25,000	25,000
Interest on loans receivable.....	3,791	13,000	18,000
Fees for inspection, appraisal, etc.....	23,780	23,000	23,000
Decrease in selected working capital.....		10,800	8,000
Total provided by operations.....	778,070	1,120,800	1,178,000
<b>By financing: Decrease in Treasury cash.....</b>	<b></b>	<b></b>	<b>109,000</b>
<b>Total funds provided.....</b>	<b>778,070</b>	<b>1,120,800</b>	<b>1,287,000</b>
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	\$617,597	\$940,000	\$1,287,000
Funds provided by operations.....	778,070	1,120,800	1,178,000
<b>Net effect on budget expenditures.....</b>	<b>-160,473</b>	<b>-180,800</b>	<b>109,000</b>
The above are charged or credited (—) to net receipts of the enterprise.....	-160,473	-180,800	109,000

## B. Statement of income and expense

	1953 actual	1954 estimate	1955 estimate
<b>Income:</b>			
Insurance premiums.....	\$299,565	\$310,000	\$340,000
Administrative expense charges.....	299,565	310,000	340,000
Interest on investments.....	25,000	25,000	25,000
Interest on loans receivable.....	3,791	13,000	18,000
Fees for inspection, appraisal, etc.....	23,780	23,000	23,000
Total income.....	651,701	681,000	746,000
<b>Expenses:</b>			
Contractual services paid to Farmers' Home Administration.....	233,000	260,000	322,000
Net operating income for year.....	418,701	421,000	424,000
<b>Nonoperating loss:</b>			
Proceeds from sale of acquired property.....	4,850	100,000	100,000
Net book value of assets sold.....	6,242	102,000	102,000
Net nonoperating loss (-).....	-1,392	-2,000	-2,000
Net income for the year.....	417,309	419,000	422,000
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	1,179,458	1,596,767	2,015,767
Retained earnings, end of year.....	1,596,767	2,015,767	2,437,767

## C. Statement of financial condition

	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury.....	\$590,213	\$681,013	\$572,013
Cash on hand and in transit.....	43,817		
Accounts receivable.....	512,575	544,575	534,575
Accrued interest on loans receivable.....	4,351	5,351	7,351
Accrued interest on investments.....	12,500	12,500	12,500
Total current assets.....	1,073,456	1,243,439	1,126,439
<b>Loans receivable:</b>			
Installments paid from fund.....	161,477	301,477	526,477
Advances on behalf of mortgagors.....		30,000	67,000
Mortgages purchased from fund.....	96,733	177,733	356,733
Total loans receivable.....	258,210	509,210	950,210
<b>Mortgages acquired through foreclosure:</b>			
Investments in U. S. securities (par value).....	15,118	13,118	111,118
	1,250,000	1,250,000	1,250,000
Total assets.....	2,596,784	3,015,767	3,437,767
<b>LIABILITIES</b>			
<b>Current liabilities:</b> Accounts payable.....	17		
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
<b>Principal of fund:</b> Appropriation.....	1,000,000	1,000,000	1,000,000
Retained earnings.....	1,596,767	2,015,767	2,437,767
Total investment of U. S. Government.....	2,596,767	3,015,767	3,437,767
Total liabilities and investment of U. S. Government.....	2,596,784	3,015,767	3,437,767

NOTE.—Excludes contingent liability for insured loans in the principal amounts of \$47,270,350 at June 30, 1952; \$56,187,227 at June 30, 1953; \$63,300,000 estimated at June 30, 1954; and \$69,300,000 at June 30, 1955.

Selected working capital (other than cash with Treasury) included above is as follows: June 30, 1952, \$461,163; 1953, \$573,226; 1954, \$562,426; 1955, \$554,426.

Cash balance with Treasury on June 30, 1952, was \$339,740; investments in United States securities on June 30, 1952, were \$1,250,000.

## SCHEDULE A-1. Accrued expenditures by objects

Object classification	1953 actual	1954 estimate	1955 estimate
07 Other contractual services.....	\$233,000	\$260,000	\$322,000
10 Lands and structures.....	1,164		
16 Investments and loans.....	271,370	680,000	965,000
Total accrued expenditures.....	505,534	940,000	1,287,000

## SCHEDULE C-1. Position with respect to insurance authority

	1953 actual	1954 estimate	1955 estimate
Annual mortgage insurance authority.....	\$100,000,000	\$100,000,000	\$100,000,000
Charges against mortgage insurance authority during year:			
Mortgages insured.....	8,611,866	8,625,000	8,625,000
Commitments to insure pending advances by lenders.....	2,376,346	2,000,000	2,000,000
Mortgages accepted for the account of the fund (net).....	75,030	100,000	300,000
Total charges.....	11,063,242	10,725,000	10,925,000
Unused insurance authority.....	88,936,758	89,275,000	89,075,000

## OFFICE OF THE SECRETARY

## [DISASTER LOAN REVOLVING FUND]

## BUDGETARY AUTHORIZATION SCHEDULES

## Disaster Loans, Etc., Revolving Fund, Department of Agriculture

[For an additional amount for the disaster loan revolving fund established under the Act of April 6, 1949, as amended (12 U. S. C. 1148a-1 to 1148a-3), \$130,000,000: *Provided*, That when used for loans under section 2 (c) of said Act such fund shall not be subject to the minimum loan limitation of \$2,500: *Provided further*, That not more than \$40,000,000 of such fund may be used for emergency feed and seed assistance under section 2 (d) of said Act, including reimbursement to the President's Emergency Fund for costs incurred in furnishing assistance in the form of livestock feed in drought areas designated as disaster areas by the President, under authority of the Act of September 30, 1950 (42 U. S. C. 1855), as amended, between June 25 and July 15, 1953: *Provided further*, That not more than \$300,000 of the funds provided by this paragraph may be used for administrative expenses for loans during fiscal 1954.] (*Act of July 31, 1953, Public Law 175.*)

Appropriated 1954, \$130,000,000

## AMOUNTS AVAILABLE FOR OBLIGATION

Appropriation or estimate (obligations incurred)—1954, \$130,000,000.

## ANALYSIS OF EXPENDITURES

⊗ Obligations incurred during the year (total expenditures out of current authorizations—paid into revolving fund)—1954, \$130,000,000.

## BUSINESS-TYPE STATEMENTS

## PROGRAM AND PERFORMANCE

*Production disaster loans.*—Public Law 38, Eighty-first Congress, approved April 6, 1949, abolished the Regional Agricultural Credit Corporation of Washington and transferred its assets to the Secretary of Agriculture. The assets so transferred constitute a revolving fund from which emergency loans for periods consistent with the borrowers' ability to repay are made at 3 percent interest to farmers and stockmen suffering production disasters when the Secretary determines that the area or region involved has suffered a production disaster and finds that agricultural credit is not readily available from other sources (11 U. S. C. 1148). Loans are also made at 5 percent interest to bona fide fur farmers where necessary to protect the Government's interest in existing loans outstanding (62 Stat. 1183).

*Emergency drought assistance.*—Public Law 115, Eighty-third Congress, amended Public Law 38 to authorize additional assistance to farmers and stockmen as follows: (1) *Economic disaster loans*—Loans at 3 percent interest may be made in any disaster area declared by the President under Public Law 875 (42 U. S. C. 1855), if the Secretary finds that an economic disaster has also caused a need for



## PUBLIC ENTERPRISE FUNDS—Continued

## OFFICE OF THE SECRETARY—Continued

## [DISASTER LOAN REVOLVING FUND]—Continued

## Disaster Loans, Etc., Revolving Fund, Department of Agriculture—Continued

agricultural credit that cannot be met temporarily by regularly established lending institutions, including the regular lending programs of the Farmers' Home Administration. (2) *Special livestock loans*—For a period of 2 years subsequent to July 14, 1953, loans may be made at 5 percent interest to established livestock producers who are temporarily unable to secure credit from recognized lenders and who have a reasonable chance of working out their difficulties with supplementary financing. (3) *Emergency assistance in furnishing feed and seed*—Feed for livestock or seeds for planting may be furnished to established farmers, ranchers, or stockmen in connection with any major disaster determined by the President to warrant Federal assistance under Public Law 875 (42 U. S. C. 1855). Under this authority feed concentrates, principally cottonseed meal, corn, wheat, oats, and mixed feeds, are furnished at less than market cost to eligible farmers in designated areas through the facilities of the Commodity Stabilization Service and special State and local drought committees.

Public Law 175, Eighty-third Congress, appropriated \$130,000,000 to the fund for the purposes of Public Law 115. Of this, \$40,000,000 was specified for furnishing feed, including the charges already incurred under an allocation of \$8,000,000 from the President's Disaster Relief Fund to initiate the emergency feed program. In addition, \$20,000,000 was added to the regular production and subsistence loan funds of the Farmers Home Administration.

On November 16, 1953, pursuant to the authority of Public Law 875, Eighty-first Congress, the President directed the Commodity Credit Corporation to furnish supplies of feed for use in the drought emergency program, such supplies to be furnished without reimbursement from presently appropriated funds. The President stated his intention to request Congress to take specific action for the purpose of reimbursing the Corporation for losses representing the difference between the value of the feed furnished and the sales price received by the Corporation. Under the directive, costs incurred by the Corporation in handling, processing, shipping, and otherwise distributing supplies of feed continue to be defrayed from the \$40,000,000 appropriated by Public Law 175.

The Department is executing agreements with the 12 drought disaster States to assist them in furnishing hay to eligible farmers. Under these agreements the Department contributes one-half the cost of transportation (not to exceed \$10 per ton) and the State assumes full responsibility for purchase and distribution. These agreements are presently financed by an allocation of \$10,000,000 from the President's Disaster Relief Fund. A proposed supplemental appropriation will be required in 1954 to permit financing this program by the disaster loan revolving fund, including reimbursement to the President's Disaster Relief Fund for obligations incurred under the allocation.

Financial operations under the disaster loan revolving fund and special funds relating to the emergency drought relief are estimated for fiscal year 1954 as follows:

LOANS				
Disaster loan revolving fund	Available, beginning of year	Collections, deposited to fund	Total available	Estimated obligations
Type of loan:				
Production disaster.....	\$15,300,000	\$35,185,000	\$51,300,000	\$38,500,000
Fur loans.....		815,000		500,000
Economic disaster.....	29,850,000	460,000	30,310,000	17,250,000
Special livestock.....	59,850,000	7,540,000	67,390,000	63,000,000
Total.....	105,000,000	44,000,000	149,000,000	119,250,000
Production and subsistence loans (Farmers Home Administration, Public Law 175).....	20,000,000		20,000,000	20,000,000

## FEED PROGRAMS

Feed concentrates:	
Losses on sales (Commodity Credit Corporation).....	\$65,000,000
Freight, distribution, and other costs (Public Law 175).....	40,000,000
Advances to States for hay (pursuant to Public Law 875).....	20,000,000

## A. Statement of sources and application of funds

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Acquisition of assets:			
Loans made:			
Production disaster.....	\$43,221,642	\$39,170,000	\$34,919,000
Economic disaster.....		17,115,000	6,355,000
Special livestock.....		62,602,000	20,123,000
Other.....	902,878	497,600	302,400
Recoverable charges on judgments.....	7,514		
Accrued loan interest included in judgments.....	4,080	13,000	7,000
Acquired security.....	860		
<b>Expenses:</b>			
Administrative expenses.....	1,935,412	2,317,000	2,325,000
Emergency assistance to farmers and stockmen (repayment to Commodity Credit Corporation).....		40,000,000	
Costs incident to loans.....	372	800	900
Accounts receivable charged off.....		100	150
Interest on loans receivable charged off.....	81,473	140,000	50,000
Interest on accounts receivable charged off.....	852		
Increase in selected working capital.....	650,850	58,403	
Total applied to operations.....	46,805,933	161,913,903	64,082,450
<b>To financing: Increase in Treasury cash.....</b>		13,423,433	16,974,500
<b>Total funds applied.....</b>	<b>46,805,933</b>	<b>175,337,336</b>	<b>81,056,950</b>
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Realization of assets:			
Loans repaid:			
Production disaster.....	28,885,881	33,960,000	34,000,000
Economic disaster.....		400,000	12,000,000
Special livestock.....		7,140,000	31,000,000
Other.....	1,133,126	800,000	608,000
Sale of acquired security.....	5,500	20,000	21,000
Collections on judgments.....	12,407	39,236	30,000
Loans converted to accounts receivable.....		1,000	1,500
<b>Income:</b>			
Interest on loans.....	1,247,770	2,975,000	3,300,000
Other interest income.....	3,416	2,100	3,150
Other income.....	1,738		
Decrease in selected working capital.....			93,300
Total provided by operations.....	31,289,838	45,337,336	81,056,950
<b>By financing:</b>			
Appropriation.....		130,000,000	
Decrease in Treasury cash.....	15,516,095		
<b>Total funds provided.....</b>	<b>46,805,933</b>	<b>175,337,336</b>	<b>81,056,950</b>

## EFFECT ON BUDGET EXPENDITURES

Funds applied to operations.....	\$46,805,933	\$161,913,903	\$64,082,450
Funds provided by operations.....	31,289,838	45,337,336	81,056,950
<b>Net effect on budget expenditures.....</b>	<b>15,516,095</b>	<b>116,576,567</b>	<b>-16,974,500</b>
<b>The above are charged or credited (—):</b>			
To budgetary authorizations.....		130,000,000	
To net receipts of the enterprise.....	15,516,095	-13,423,433	-16,974,500

*B. Statement of income and expense*

	1953 actual	1954 estimate	1955 estimate
<b>Income:</b>			
Interest on loans.....	\$1,247,770	\$2,975,000	\$3,300,000
Other interest income.....	3,416	2,100	3,150
Other income.....	1,738		
Total income.....	1,252,924	2,977,100	3,303,150
<b>Expenses:</b>			
Administrative expenses.....	1,935,412	2,317,000	2,325,000
Emergency assistance to farmers and stockmen (repayment to Commodity Credit Corporation).....		40,000,000	
Costs incident to loans.....	372	800	900
Losses and charge-offs:			
Loans receivable charged off.....	181,162	150,000	60,000
Accounts receivable charged off.....		100	150
Judgments charged off.....	13,041	15,000	20,000
Interest on loans receivable charged off.....	81,473	140,000	50,000
Interest on accounts receivable charged off.....	852		
Increase in allowances for losses.....	4,116,099	9,728,526	5,869,652
Total expenses.....	6,328,411	52,351,426	8,325,702
Net loss (-) from operations.....	-5,075,487	-49,374,326	-5,022,552
<b>Nonoperating income or loss (-):</b>			
Proceeds from sale of acquired security.....	5,500	20,000	21,000
Net book value of assets sold.....	5,441	22,000	25,000
Net nonoperating income or loss (-).....	59	-2,000	-4,000
Net loss (-) for the year.....	-5,075,428	-49,376,326	-5,026,552
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Deficit (-) beginning of year.....	-6,888,046	-11,963,474	-61,339,800
Deficit (-) end of year.....	-11,963,474	-61,339,800	-66,366,352

*C. Statement of financial condition*

	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury.....	\$17,790,760	\$31,214,192	\$48,188,692
Cash on hand.....	1,156,906		
Accounts receivable and accrued interest.....	1,291,480	2,513,980	2,378,680
Less allowance for losses.....	383,717	436,440	584,952
Net accounts receivable and accrued interest.....	907,763	2,077,540	1,793,728
Undistributed charges.....	9,000	10,001	12,001
Total current assets.....	19,864,429	33,301,733	49,994,421
<b>Loans receivable:</b>			
Production disaster.....	53,155,534	58,239,534	59,048,434
Economic disaster.....		16,715,000	11,070,000
Special livestock.....		55,462,000	44,585,000
Other.....	1,844,043	1,389,645	1,022,645
Total loans receivable.....	54,999,579	131,806,179	115,726,079
Less allowance for losses.....	10,868,879	20,500,000	26,200,000
Net loans receivable.....	44,130,700	111,306,179	89,526,079
<b>Other assets:</b>			
Acquired security or collateral.....	15,601	18,601	33,601
Judgments.....	205,757	266,521	293,521
Less allowance for losses.....	154,318	199,000	220,140
Net judgments.....	51,439	67,521	73,381
Total other assets.....	67,040	86,122	106,982
<b>Total assets.....</b>	<b>64,062,169</b>	<b>144,694,034</b>	<b>139,627,482</b>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable.....	74,755	90,000	60,000
Accrued expenses.....	80,818	85,000	75,000
Other liabilities.....	689	689	689
Undistributed credits.....	11,236		
Total liabilities.....	167,498	175,689	135,689
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
<b>Principal of the fund:</b>			
Appropriations.....	75,494,334	205,494,334	205,494,334
Donated assets, net.....	363,811	363,811	363,811
Total principal of fund.....	75,858,145	205,858,145	205,858,145

*C. Statement of financial condition—Continued*

	1953 actual	1954 estimate	1955 estimate
<b>INVESTMENT OF U. S. GOVERNMENT—Continued</b>			
<b>Deficit.....</b>	<b>-\$11,963,474</b>	<b>-\$61,339,800</b>	<b>-\$66,366,352</b>
<b>Total investment of U. S. Government.....</b>	<b>63,894,671</b>	<b>144,518,345</b>	<b>139,491,793</b>
<b>Total liabilities and investment of U. S. Government.....</b>	<b>64,062,169</b>	<b>144,694,034</b>	<b>139,627,482</b>

NOTE.—Excludes undisbursed loan commitments as follows: 1953, \$359,035; 1954, \$225,000; 1955, \$225,000.  
 Selected working capital (other than cash with Treasury) included above is as follows: June 30, 1952, \$1,639,039; 1953, \$2,289,889; 1954, \$2,348,292; 1955, \$2,254,992.  
 Cash balance with Treasury on June 30, 1952, was \$33,306,854.

*SCHEDULE A-1. Accrued expenditures by objects*

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO FARMERS' HOME ADMINISTRATION</b>			
Total number of permanent positions.....	275	342	402
Full-time equivalent of all other positions.....	161	161	122
Average number of all employees.....	441	513	515
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,296	\$4,286	\$4,190
Average grade.....	GS-5.6	GS-5.4	GS-5.4
01 Personal services:			
Permanent positions.....	\$1,202,211	\$1,495,424	\$1,644,510
Other positions.....	527,281	535,345	401,400
Regular pay in excess of 52-week base.....	7,316	8,615	8,750
Payment above basic rates.....	1,339	686	
Total personal services.....	1,738,147	2,040,070	2,054,660
02 Travel.....	164,488	235,230	223,840
06 Printing and reproduction.....	3,352	4,000	4,000
07 Other contractual services.....	247		
Services performed by other agencies.....	701		
08 Supplies and materials.....	5,033	5,850	5,000
15 Taxes and assessments.....	8,797	14,850	12,500
16 Investments and loans.....	44,124,520	119,384,600	61,699,400
Undistributed charges.....	95,151	153,900	58,050
Total accrued expenditures.....	46,140,436	121,838,500	64,057,450
<b>ALLOTMENT TO COMMODITY STABILIZATION SERVICE</b>			
11 Grants, subsidies, and contributions: Repayment to Commodity Credit Corporation.....		\$40,000,000	
<b>ALLOTMENT TO OFFICE OF THE SOLICITOR</b>			
Total number of permanent positions.....	2	2	4
Average number of all employees.....	2	2	4
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,508	\$6,508	\$5,808
Average grade.....	GS-8.5	GS-8.5	GS-8.3
01 Personal services:			
Permanent positions.....	\$14,597	\$16,450	\$24,160
Regular pay in excess of 52-week base.....	50	50	90
Total personal services.....	14,647	16,500	24,250
02 Travel.....		500	750
Total accrued expenditures.....	14,647	17,000	25,000
<b>SUMMARY</b>			
Total number of permanent positions.....	277	344	406
Full-time equivalent of all other positions.....	161	161	122
Average number of all employees.....	443	515	519
01 Personal services:			
Permanent positions.....	\$1,216,808	\$1,511,874	\$1,668,670
Other positions.....	527,281	535,345	401,400
Regular pay in excess of 52-week base.....	7,366	8,665	8,840
Payment above basic rates.....	1,339	686	
Total personal services.....	1,752,794	2,056,570	2,078,910
02 Travel.....	164,488	235,730	224,590
06 Printing and reproduction.....	3,352	4,000	4,000



**PUBLIC ENTERPRISE FUNDS—Continued****OFFICE OF THE SECRETARY—Continued****【DISASTER LOAN REVOLVING FUND】—Continued****Disaster Loans, Etc., Revolving Fund, Department of Agriculture—Continued****SCHEDULE A-1. Accrued expenditures by objects—Continued**

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY—continued</b>			
07 Other contractual services.....	\$247,701		
Services performed by other agencies.....	5,033	\$5,850	\$5,000
08 Supplies and materials.....		40,000,000	
11 Grants, subsidies, and contributions.....	8,797	14,850	12,500
15 Taxes and assessments.....	44,124,520	119,384,600	61,699,400
16 Investments and loans.....	95,151	153,900	58,050
Undistributed charges.....			
Total accrued expenditures.....	46,155,083	161,855,500	64,082,450

**INTRAGOVERNMENTAL FUNDS****AGRICULTURAL RESEARCH SERVICE**

*Working Capital Fund, Agricultural Research Center, Agricultural Research Service*

**BUSINESS-TYPE STATEMENTS****PROGRAM AND PERFORMANCE**

This fund finances, on a reimbursable basis, central facilities and services furnished to agencies at the Agricultural Research Center (64 Stat. 658). The capital consists of \$300,000 appropriated in 1951 and donated assets of \$200,696, as of June 30, 1953.

**A. Statement of sources and application of funds**

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Acquisition of assets: Equipment.....	\$14,438	\$15,000	\$15,000
Expenses:			
Purchase of materials.....	661,105	675,000	675,000
Other expenses.....	978,631	1,089,000	1,097,000
Increase in selected working capital.....		15,508	18,000
Total applied to operations.....	1,654,174	1,794,508	1,805,000
<b>To financing: Increase in Treasury cash.....</b>	39,659		
Total funds applied.....	1,693,833	1,794,508	1,805,000
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Realization of assets: Equipment.....	2,237	1,000	1,000
Income:			
Sales of goods and services.....	1,685,441	1,780,800	1,790,800
Rental income from quarters.....	2,170	3,200	3,200
Decrease in selected working capital.....	3,985		
Total provided by operations.....	1,693,833	1,785,000	1,795,000
<b>By financing: Decrease in Treasury cash.....</b>		9,508	10,000
Total funds provided.....	1,693,833	1,794,508	1,805,000

**EFFECT ON BUDGET EXPENDITURES**

Funds applied to operations.....	\$1,654,174	\$1,794,508	\$1,805,000
Funds provided by operations.....	1,693,833	1,785,000	1,795,000
Net effect on budget expenditures.....	-39,659	9,508	10,000
The above are charged or credited (-) to net receipts of the enterprise.....	-39,659	9,508	10,000

**B. Statement of income and expense**

	1953 actual	1954 estimate	1955 estimate
<b>Income:</b>			
Sales of goods and services.....	\$1,685,441	\$1,780,800	\$1,790,800
Rental income from quarters.....	2,170	3,200	3,200
Total income.....	1,687,611	1,784,000	1,794,000

**B. Statement of income and expense—Continued**

	1953 actual	1954 estimate	1955 estimate
<b>Expenses: Cost of materials sold:</b>			
Purchase of materials.....	\$661,105	\$675,000	\$675,000
Materials donated.....	303	300	300
Decrease in materials inventory.....	4,140	799	
Cost of materials sold.....	665,548	676,099	675,300
Other expenses.....	978,631	1,089,000	1,097,000
Depreciation on equipment.....	29,066	29,000	29,000
Total expenses.....	1,673,245	1,794,099	1,801,300
Net operating income or loss (-).....	14,366	-10,099	-7,300
<b>Nonoperating loss:</b>			
Proceeds from sale of fixed assets.....	2,237	1,000	1,000
Net book value of assets sold.....	3,232	2,000	2,000
Net nonoperating loss (-).....	-995	-1,000	-1,000
Net income or loss (-) for the year.....	13,371	-11,099	-8,300
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	17,226	30,597	19,498
Retained earnings, end of year.....	30,597	19,498	11,198

**C. Statement of financial condition**

	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury:			
Operations.....	\$309,508	\$300,000	\$290,000
Deposit funds.....	26,182	25,000	25,000
Accounts receivable.....	267,575	270,000	280,000
Inventory of supplies and materials.....	89,799	89,000	89,000
Total current assets.....	693,064	684,000	684,000
<b>Fixed assets:</b>			
Equipment.....	304,658	312,657	317,657
Less portion charged off as depreciation.....	143,571	167,570	188,570
Total fixed assets.....	161,087	145,087	129,087
Total assets.....	854,151	829,087	813,087
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable.....	131,115	118,593	110,593
Accrued expenses.....	165,561	165,000	165,000
Deposit liabilities.....	26,182	25,000	25,000
Total liabilities.....	322,858	308,593	300,593
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
<b>Principal of fund:</b>			
Appropriation.....	300,000	300,000	300,000
Donated assets, net.....	200,696	200,996	201,296
Total principal of fund.....	500,696	500,996	501,296
Retained earnings.....	30,597	19,498	11,198
Total investment of U. S. Government.....	531,293	520,494	512,494
Total liabilities and investment of U. S. Government.....	854,151	829,087	813,087

NOTE.—Excludes contingent liability for undelivered orders as follows: June 30, 1952, \$50,725; 1953, \$34,754; 1954, \$35,000; 1955, \$35,000.  
Selected working capital (other than cash with Treasury) included above is as follows: June 30, 1952, —\$25,116; 1953, —\$20,101; 1954, —\$13,593; 1955, \$4,407.  
Cash balance with Treasury on June 30, 1952, was \$294,116.

**SCHEDULE A-1. Accrued expenditures by objects**

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	196	217	217
Full-time equivalent of all other positions.....	32	33	33
Average number of all employees.....	223	243	243
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,222	\$4,622	\$4,672
Average grade.....	GS-5.6	GS-6.3	GS-6.3
Crafts, protective, and custodial grades:			
Average salary.....	3,416	3,476	3,509
Average grade.....	CPC-5.0	CPC-5.1	CPC-5.1
01 Personal services:			
Permanent positions.....	\$671,648	\$777,300	\$785,300
Other positions.....	111,620	115,000	115,000

SCHEDULE A-1. *Accrued expenditures by objects*—Continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>01 Personal services—Continued</b>			
Regular pay in excess of 52-week base.....	\$2,630	\$2,700	\$2,700
Payment above basic rates.....	17,048	16,000	16,000
Excess of annual leave earned over leave taken.....	4,695		
Total personal services.....	807,641	911,000	919,000
02 Travel.....	678	700	700
03 Transportation of things.....	1,053	1,000	1,000
04 Communication services.....	33,286	36,000	36,000
05 Rents and utility services.....	104,380	108,300	108,300
06 Printing and reproduction.....	896	1,000	1,000
07 Other contractual services.....	27,864	28,000	28,000
08 Supplies and materials.....	661,105	675,000	675,000
09 Equipment.....	14,438	15,000	15,000
13 Refunds, awards, and indemnities.....	75		
15 Taxes and assessments.....	2,758	3,000	3,000
Total accrued expenditures.....	1,654,174	1,779,000	1,787,000

## COMMODITY STABILIZATION SERVICE

*Administrative Expenses, Section 392, Agricultural Adjustment Act of 1938*

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Reimbursements from other accounts (pursuant to 7 U. S. C. 1392):			
“Agricultural conservation program, Agriculture”.....	\$4,550,201	\$4,167,924	\$3,637,324
“Agricultural adjustment program, Commodity Stabilization Service”.....	2,995,781	6,507,000	5,725,000
“Sugar Act program, Commodity Stabilization Service”.....	702,979	665,115	563,300
“Salaries and expenses, defense production activities, Agriculture”.....	41,500		
“Operating and administrative expenses, Federal Crop Insurance Corporation”.....	342,570	117,900	
“Flood prevention, Agriculture”.....	4,024		
Other.....	3,645,130	3,859,537	3,642,362
Total available for obligation.....	12,282,185	15,317,476	13,567,986
Unobligated balance, estimated savings.....	—375,744		
Obligations incurred.....	11,906,441	15,317,476	13,567,986

## OBLIGATIONS BY ACTIVITIES

National and State operating expenses—1953, \$11,906,441; 1954, \$15,317,476; 1955, \$13,567,986.

## PROGRAM AND PERFORMANCE

Under the Agricultural Adjustment Act of 1938, amounts estimated to be required for administrative expenses of Washington and State offices are advanced to this account from the several appropriations related to agricultural stabilization and conservation activities.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>STATE AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES AND NATIONAL OFFICE EXPENSES</b>			
Total number of permanent positions.....	2,514	2,807	2,495
Full-time equivalent of all other positions.....	55	60	60
Average number of all employees.....	2,042	2,635	2,316
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,109	\$4,173	\$4,242
Average grade.....	GS-5.6	GS-5.6	GS-5.6
<b>01 Personal services:</b>			
Permanent positions.....	\$8,903,773	\$11,536,111	\$10,147,497
Other positions.....	323,503	392,209	390,000
Regular pay in excess of 52-week base.....	31,134	43,280	38,520
Payment above basic rates.....	283,015	131,759	25,130
Total personal services.....	9,541,425	12,103,359	10,601,147
02 Travel.....	1,383,942	1,749,943	1,655,364
03 Transportation of things.....	49,610	68,350	60,670
04 Communication services.....	234,475	447,814	378,380
05 Rents and utility services.....	381,607	333,500	333,500
06 Printing and reproduction.....	28,711	28,130	26,610
07 Other contractual services.....	56,205	74,200	66,370
08 Supplies and materials.....	159,754	188,100	177,440
09 Equipment.....	21,822	26,300	22,620
13 Refunds, awards, and indemnities.....	723	900	
15 Taxes and assessments.....	12,608	16,080	14,085
Obligations incurred.....	11,870,882	15,036,676	13,336,186

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO EXTENSION SERVICE</b>			
Total number of permanent positions.....	3	3	3
Average number of all employees.....	1	1	1
Average salaries and grades:			
Ungraded positions: Average salary.....	\$3,667	\$3,667	\$3,667
<b>01 Personal services: Permanent positions.....</b>	\$787	\$788	\$788
<b>15 Taxes and assessments.....</b>	12	12	12
Obligations incurred.....	799	800	800
<b>ALLOTMENT TO AGRICULTURAL MARKETING SERVICE</b>			
Total number of permanent positions.....		69	62
Full-time equivalent of all other positions.....	3	6	5
Average number of all employees.....	6	64	51
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$3,642	\$3,699
Average grade.....		GS-4.8	GS-4.8
<b>01 Personal services:</b>			
Permanent positions.....	\$12,066	\$205,600	\$170,700
Other positions.....	8,105	18,900	16,000
Regular pay in excess of 52-week base.....	12	700	500
Payment above basic rates.....	21	500	400
Total personal services.....	20,204	225,700	187,600
02 Travel.....	4,185	27,000	22,000
03 Transportation of things.....	53	2,000	1,500
04 Communication services.....	200	3,500	2,900
06 Printing and reproduction.....		2,300	1,900
07 Other contractual services.....	1,196		
Services performed by other agencies.....	1,648		
08 Supplies and materials.....	26	7,000	5,800
09 Equipment.....	7,140	11,500	8,500
15 Taxes and assessments.....	108	1,000	800
Obligations incurred.....	34,760	280,000	231,000
<b>SUMMARY</b>			
Total number of permanent positions.....	2,517	2,879	2,560
Full-time equivalent of all other positions.....	58	66	65
Average number of all employees.....	2,049	2,700	2,368
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,109	\$4,158	\$4,227
Average grade.....	GS-5.6	GS-5.6	GS-5.6
<b>01 Personal services:</b>			
Permanent positions.....	\$8,916,626	\$11,742,499	\$10,318,985
Other positions.....	331,608	411,109	406,000
Regular pay in excess of 52-week base.....	31,146	43,980	39,020
Payment above basic rates.....	283,036	132,259	25,530
Total personal services.....	9,562,416	12,329,847	10,789,535
02 Travel.....	1,388,127	1,776,943	1,677,364
03 Transportation of things.....	49,663	70,350	62,170
04 Communication services.....	234,675	451,314	381,280
05 Rents and utility services.....	381,607	333,500	333,500
06 Printing and reproduction.....	28,711	30,430	28,510
07 Other contractual services.....	57,401	74,200	66,370
Services performed by other agencies.....	1,648		
08 Supplies and materials.....	159,780	195,100	183,240
09 Equipment.....	28,962	37,800	31,120
13 Refunds, awards, and indemnities.....	723	900	
15 Taxes and assessments.....	12,728	17,092	14,897
Obligations incurred.....	11,906,441	15,317,476	13,567,986
<b>ANALYSIS OF EXPENDITURES</b>			
	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,003,950	\$922,268	\$1,152,268
Obligations incurred during the year.....	11,906,441	15,317,476	13,567,986
Deduct:	12,910,391	16,239,744	14,720,254
Adjustment in obligations of prior years.....	6,798		
Reimbursements.....	12,282,185	15,317,476	13,567,986
Obligated balance carried to certified claims account.....	60,520		
Unliquidated obligations, end of year.....	922,268	1,152,268	1,045,268
Total expenditures.....	—361,380	—230,000	107,000
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	11,920,805	15,087,476	13,674,986
Funds provided by operations.....	12,282,185	15,317,476	13,567,986
Net effect on budget expenditures.....	—361,380	—230,000	107,000
The above are charged or credited (—) to receipts of the enterprise.....	—361,380	—230,000	107,000



**INTRAGOVERNMENTAL FUNDS—Continued****COMMODITY STABILIZATION SERVICE—Continued**

Local Administration, Section 388, Agricultural Adjustment Act of 1938, Agriculture

**AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Reimbursements from other accounts (pursuant to 7 U. S. C. 1388):			
“Agricultural conservation program, Agriculture”	\$21,843,446	\$21,282,250	\$18,378,200
“Agricultural adjustment programs, Commodity Stabilization Service”	9,710,000	37,421,000	36,391,000
“Sugar Act program, Commodity Stabilization Service”	285,000	361,100	334,600
“Operating and administrative expenses, Federal Crop Insurance Corporation”	1,992,075	472,000	
“Commodity Credit Corporation (storage and price-support programs)”		34,519,392	20,971,583
Other	4,856,869	4,857,040	4,780,883
Total available for obligation	38,687,390	98,912,782	80,856,266
Unobligated balance, estimated savings	-2,013,237		
Obligations incurred	36,674,153	98,912,782	80,856,266

**OBLIGATIONS BY ACTIVITIES**

Local operating expenses—1953, \$36,674,153; 1954, \$98,912,782; 1955, \$80,856,266.

**PROGRAM AND PERFORMANCE**

Under the Agricultural Adjustment Act of 1938, amounts estimated to be required by county agricultural stabilization and conservation committees for carrying out the programs assigned to them are advanced to this account from the several appropriations available.

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
COUNTY AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES			
07 Other contractual services	\$6,783,971	\$39,848,432	\$25,752,466
11 Grants, subsidies, and contributions	29,887,282	59,059,850	55,099,300
Obligations incurred	36,671,253	98,908,282	80,851,766
ALLOTMENT TO EXTENSION SERVICE			
11 Grants, subsidies, and contributions	\$2,900	\$4,500	\$4,500
SUMMARY			
07 Other contractual services	\$6,783,971	\$39,848,432	\$25,752,466
11 Grants, subsidies, and contributions	29,890,182	59,064,350	55,103,800
Obligations incurred	36,674,153	98,912,782	80,856,266

**ANALYSIS OF EXPENDITURES**

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$331,759	\$239,903	\$889,903
Adjustment in obligations of prior years	16,357		
Obligations incurred during the year	36,674,153	98,912,782	80,856,266
	37,022,269	99,152,685	81,746,169
Deduct:			
Reimbursements	38,687,390	98,912,782	80,856,266
Obligated balance carried to certified claims account	94,871		
Unliquidated obligations, end of year	239,903	889,903	532,903
Total expenditures	-1,999,895	-650,000	357,000
EFFECT ON BUDGET EXPENDITURES			
Funds applied to operations	36,687,495	98,262,782	81,213,266
Funds provided by operations	38,687,390	98,912,782	80,856,266
Net effect on budget expenditures	-1,999,895	-650,000	357,000
The above are charged or credited (-) to receipts of the enterprise	-1,999,895	-650,000	357,000

**OFFICE OF THE SECRETARY**

Working Capital Fund, Department of Agriculture

**BUSINESS-TYPE STATEMENTS****PROGRAM AND PERFORMANCE**

This fund of \$400,000, without fiscal year limitation, is available for financing on a reimbursable basis, central duplicating, photographic, motion picture, tabulating, motor transport, and supply services for the Department, and such other services as the Secretary, with the approval of the Director of the Bureau of the Budget, determines may be performed more advantageously as central services. Advances are made from this fund for operation of these services, pending reimbursement from applicable funds of bureaus and agencies at rates so computed as to make the services completely self-sustaining and maintain the integrity of the original fund (5 U. S. C. 542-1).

**A. Statement of sources and application of funds**

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
<b>To Operations</b>			
<b>Central supply service:</b>			
Acquisition of assets: Equipment	\$870		
Expenses:			
Purchase of materials	490,294	\$510,000	\$504,400
Other expenses	98,345	108,300	98,000
Total central supply service	589,509	618,300	602,400
<b>Photographic and duplicating service:</b>			
Acquisition of assets: Equipment	12,748	30,000	6,000
Expenses:			
Purchase of materials	287,223	287,000	235,600
Other expenses	510,286	476,200	492,000
Total photographic and duplicating service	810,257	793,200	733,600
<b>Motor transport service:</b>			
Expenses:			
Purchase of materials	3,348	3,000	3,000
Other expenses	22,565	20,000	20,000
Total motor transport service	25,913	23,000	23,000
<b>U. S. D. A. publication: Expenses</b>	20,326	20,000	20,000
<b>Motion-picture service:</b>			
Acquisition of assets: Equipment	2,588	5,000	4,000
Expenses:			
Purchase of materials	30,364	80,000	60,000
Other expenses	337,873	296,100	256,200
Total motion-picture service	370,825	381,100	320,200
Subtotal	1,816,830	1,835,600	1,699,200
<b>Increase in selected working capital</b>			10,716
<b>Selected working capital absorbed</b>	71,506		
Total applied to operations	1,888,336	1,835,600	1,709,916
<b>To Financing</b>			
<b>Increase in Treasury cash</b>	128,359		30,084
Total funds applied	2,016,695	1,835,600	1,740,000
<b>FUNDS PROVIDED</b>			
<b>By Operations</b>			
<b>Central supply service:</b>			
Realization of assets: Sale of equipment	35		
Income: Sale of goods and services	630,613	615,000	603,000
Total central supply service	630,648	615,000	603,000
<b>Photographic and duplicating service:</b>			
Realization of assets: Sale of equipment	451		
Income: Sale of goods and services	863,560	727,000	737,000
Total photographic and duplicating service	864,011	727,000	737,000
<b>Motor transport service:</b>			
Realization of assets: Sale of equipment	639		
Income: Sale of goods and services	26,391	25,000	25,000
Total motor transport service	27,030	25,000	25,000
<b>U. S. D. A. publication: Income: Sale of goods and services</b>	20,326	20,000	20,000

## A. Statement of sources and application of funds—Continued

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS PROVIDED—Continued</b>			
<b>By Operations—Continued</b>			
<b>Motion picture service:</b>			
Realization of assets: Sale of equipment.....	\$3,306	\$8,000	\$5,000
Income: Sale of goods and services.....	423,538	400,000	350,000
Total motion picture service.....	426,844	408,000	355,000
<b>Decrease in selected working capital.....</b>	47,836	6,828	
Total provided by operations.....	2,016,695	1,801,828	1,740,000
<b>By Financing</b>			
<b>Decrease in Treasury cash.....</b>		33,772	
<b>Total funds provided.....</b>	2,016,695	1,835,600	1,740,000

## EFFECT ON BUDGET EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Funds applied to operations.....	\$1,888,336	\$1,835,600	\$1,709,916
Funds provided by operations.....	2,016,695	1,801,828	1,740,000
<b>Net effect on budget expenditures.....</b>	-128,359	33,772	-30,084
The above are charged or credited (—) to net receipts of the enterprise.....	-128,359	33,772	-30,084

## B. Statement of income and expense

	1953 actual	1954 estimate	1955 estimate
<b>CENTRAL SUPPLY SERVICE</b>			
<b>Income:</b> Sales of goods and services.....	\$630,613	\$615,000	\$603,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchase of materials.....	490,294	510,000	504,400
Changes in material inventory.....	36,817		
Other expenses.....	98,345	108,300	98,000
Depreciation on equipment.....	734	700	600
Total expenses.....	626,190	619,000	603,000
Net operating income or loss (—).....	4,423	-4,000	
<b>Nonoperating income:</b>			
Proceeds from sale of equipment.....	35		
Net book value of assets sold.....	-9		
Net nonoperating income.....	26		
<b>Net income or loss (—), central supply service.....</b>	4,449	-4,000	
<b>PHOTOGRAPHIC AND DUPLICATING SERVICE</b>			
<b>Income:</b> Sales of goods and services.....	863,560	727,000	737,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchase of materials.....	287,223	287,000	235,600
Changes in material inventory.....	-4,618		
Other expenses.....	510,286	476,200	492,000
Depreciation on equipment.....	9,256	9,800	9,400
Total expenses.....	802,147	773,000	737,000
Net operating income or loss (—).....	61,413	-46,000	
<b>Nonoperating income:</b>			
Proceeds from sale of equipment.....	451		
Net book value of assets sold.....	68		
Net nonoperating income.....	383		
<b>Net income or loss (—), photographic and duplicating service.....</b>	61,796	-46,000	
<b>MOTOR TRANSPORT SERVICE</b>			
<b>Income:</b> Sales of goods and services.....	26,391	25,000	25,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchase of materials.....	3,348	3,000	3,000
Changes in material inventory.....	77		
Other expenses.....	22,565	20,000	20,000
Depreciation on equipment.....	1,828	2,000	2,000
Total expenses.....	27,818	25,000	25,000
<b>Net operating loss (—).....</b>	-1,427		

## B. Statement of income and expense—Continued

	1953 actual	1954 estimate	1955 estimate
<b>MOTOR TRANSPORT SERVICE—Continued</b>			
<b>Nonoperating income:</b> Proceeds from sale of equipment.....	\$639		
<b>Net operating loss (—), motor transport service.....</b>	-788		
<b>U. S. D. A. PUBLICATION</b>			
<b>Income:</b> Sales of goods and services.....	20,326	\$20,000	\$20,000
<b>Expenses.....</b>	20,326	20,000	20,000
<b>Net income, U. S. D. A. publication.....</b>			
<b>MOTION PICTURE SERVICE</b>			
<b>Income:</b> Sales of goods and services.....	423,538	400,000	350,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchase of materials.....	30,364	80,000	60,000
Donated materials.....	75,243		
Changes in material inventory.....	-21,569	-5,000	6,500
Other expenses.....	337,873	296,100	256,200
Depreciation on equipment.....	20,680	20,000	19,000
Total expenses.....	442,591	391,100	341,700
Net operating income or loss (—).....	-19,053	8,900	8,300
<b>Nonoperating income:</b>			
Proceeds from sale of equipment.....	3,306	8,000	5,000
Net book value of assets sold.....	1,354	-8,000	-5,000
Net nonoperating income.....	1,952		
<b>Net operating income or loss (—), motion picture service.....</b>	-17,101	8,900	8,300
<b>Net income or loss (—) for year.....</b>	48,356	-41,100	8,300
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	38,354	86,710	45,610
<b>Retained earnings, end of year.....</b>	86,710	45,610	53,910

## C. Statement of financial condition

	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury:			
Revolving fund account.....	\$620,993	\$587,221	\$617,305
Deposit fund accounts.....	12,865	12,865	12,865
Accounts receivable.....	271,521	249,438	245,000
Inventories:			
Supplies and materials for sale.....	164,240	169,240	162,740
Work in process.....	24,963	24,963	24,963
Total current assets.....	1,094,582	1,043,727	1,062,873
<b>Fixed assets:</b> Equipment.....	494,748	521,748	526,748
Less portion charged off as depreciation.....	314,727	347,227	378,227
Net fixed assets.....	180,021	174,521	148,521
<b>Total assets.....</b>	1,274,603	1,218,248	1,211,394
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable.....	78,909	68,654	57,500
Accrued expenses.....	168,509	163,509	159,509
Deposit liabilities.....	12,865	12,865	12,865
<b>Total liabilities.....</b>	260,283	245,028	229,874
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
<b>Principal of fund:</b>			
Appropriation.....	400,000	400,000	400,000
Donated assets, net.....	527,610	527,610	527,610
Total principal.....	927,610	927,610	927,610
<b>Retained earnings.....</b>	86,710	45,610	53,910
<b>Total investment of U. S. Government.....</b>	1,014,320	973,220	981,520
<b>Total liabilities and investment of U. S. Government.....</b>	1,274,603	1,218,248	1,211,394

NOTE.—Excludes contingent liability for undelivered orders as follows: June 30, 1952, \$57,425; 1953, \$61,020; 1954, \$60,000; 1955, \$60,000.

Selected working capital (other than cash with Treasury) included above is as follows: June 30, 1952, \$71,939; 1953, \$24,103; 1954, \$17,275; 1955, \$27,991.

Cash balance with Treasury on June 30, 1952, was \$492,634.



## INTRAGOVERNMENTAL FUNDS—Continued

## OFFICE OF THE SECRETARY—Continued

## Working Capital Fund, Department of Agriculture—Continued

## SCHEDULE A-1. Accrued expenditures by objects

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOTMENT TO OFFICE OF THE SECRETARY</b>			
Total number of permanent positions.....	172	165	165
Average number of all employees.....	166	158	158
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$3,833	\$3,895	\$3,952
Average grade.....	GS-4.4	GS-4.4	GS-4.4
Crafts, protective, and custodial grades:			
Average salary.....	\$2,896	\$2,898	\$2,924
Average grade.....	CPC-2.9	CPC-2.9	CPC-2.9
Ungraded positions: Average salary.....	\$3,393	\$3,570	\$3,623
01 Personal services:			
Permanent positions.....	\$592,867	\$587,285	\$592,759
Regular pay in excess of 52-week base.....	2,330	2,265	2,291
Payment above basic rates.....	23,852	18,000	18,000
Excess of annual leave earned over leave taken.....	4,010		
Total personal services.....	623,059	607,550	613,050
02 Travel.....	151	150	150
03 Transportation of things.....	808	800	800
04 Communication services.....	1,542	1,500	1,500
05 Rents and utility services.....	197	200	200
06 Printing and reproduction.....	8,861	8,500	8,500
07 Other contractual services.....	5,847	5,000	5,000
08 Supplies and materials.....	790,947	800,000	743,000
09 Equipment.....	13,618	30,000	6,000
13 Refunds, awards, and indemnities.....	160		
15 Taxes and assessments.....	815	800	800
Total accrued expenditures.....	1,446,005	1,454,500	1,379,000
<b>ALLOTMENT TO OFFICE OF INFORMATION</b>			
Total number of permanent positions.....	58	51	47
Average number of all employees.....	53	48	42
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,246	\$5,185	\$5,135
Average grade.....	GS-8.3	GS-8.1	GS-8.2
01 Personal services:			
Permanent positions.....	\$276,919	\$245,600	\$213,700
Other positions.....	1,934	1,500	1,500
Regular pay in excess of 52-week base.....	809	900	800
Payment above basic rates.....	306		
Deduct excess of annual leave taken over leave earned.....	5,963	5,000	4,000
Total personal services.....	274,005	243,000	212,000
02 Travel.....	15,331	14,000	12,000
03 Transportation of things.....	1,428	1,200	1,000
04 Communication services.....	1,879	1,500	1,400
06 Printing and reproduction.....	468	300	300
07 Other contractual services.....	23,624	18,000	15,000
Services performed by other agencies.....	8,494	7,500	6,000
08 Supplies and materials.....	42,162	90,000	68,000
09 Equipment.....	2,763	5,100	4,100
15 Taxes and assessments.....	671	500	400
Total accrued expenditures.....	370,825	381,100	320,200
<b>SUMMARY</b>			
Total number of permanent positions.....	230	216	212
Average number of all employees.....	219	206	200
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,381	\$4,373	\$4,368
Average grade.....	GS-5.9	GS-5.8	GS-5.7
Crafts, protective, and custodial grades:			
Average salary.....	\$2,896	\$2,898	\$2,924
Average grade.....	CPC-2.9	CPC-2.9	CPC-2.9
Ungraded positions: Average salary.....	\$3,393	\$3,570	\$3,623
01 Personal services:			
Permanent positions.....	\$869,786	\$832,885	\$806,459
Other positions.....	1,934	1,500	1,500
Regular pay in excess of 52-week base.....	3,139	3,165	3,091
Payment above basic rates.....	24,158	18,000	18,000
Deduct excess of annual leave taken over leave earned.....	1,953	5,000	4,000
Total personal services.....	897,064	850,550	825,050
02 Travel.....	15,482	14,150	12,150
03 Transportation of things.....	2,236	2,000	1,800
04 Communication services.....	3,421	3,000	2,900
05 Rents and utility services.....	197	200	200
06 Printing and reproduction.....	9,329	8,800	8,800

## SCHEDULE A-1. Accrued expenditures by objects—Continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>SUMMARY—continued</b>			
07 Other contractual services.....	\$29,471	\$23,000	\$20,000
Services performed by other agencies.....	8,494	7,500	6,000
08 Supplies and materials.....	833,109	890,000	811,000
09 Equipment.....	16,381	35,100	10,100
13 Refunds, awards, and indemnities.....	160		
15 Taxes and assessments.....	1,486	1,300	1,200
Total accrued expenditures.....	1,816,830	1,835,600	1,699,200

## MISCELLANEOUS

## Consolidated Working Fund, Department of Agriculture

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,002,927	\$721,017	\$638,484
Returned to other accounts.....	413,165	310,802	
Obligations incurred during the year.....	3,299,292	944,711	
	4,715,384	1,976,530	638,484
Deduct:			
Advances received.....	3,320,234	550,746	
Adjustment in obligations of prior years.....	16,387		
Obligated balance carried to certified claims account.....	12,682		
Unliquidated obligations, end of year.....	721,017	638,484	
Total expenditures.....	645,064	787,300	638,484
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	3,965,298	1,338,046	638,484
Funds provided by operations.....	3,320,234	550,746	
Net effect on budget expenditures.....	645,064	787,300	638,484
The above are charged to net receipts of the fund.....	645,064	787,300	638,484

## GENERAL PROVISIONS

SEC. 401. Within the unit limit of cost fixed by law, the lump-sum appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [400] 621 passenger motor vehicles for replacement only, and for the hire of such vehicles, necessary in the conduct of the work of the Department outside the District of Columbia.

SEC. 402. Provisions of law prohibiting or restricting the employment of aliens shall not apply to (1) the temporary employment of translators when competent citizen translators are not available; (2) employment in cases of emergency of persons in the field service of the Department for periods of not more than sixty days; and (3) employment under the appropriation for the Foreign Agricultural Service.

SEC. 403. Of appropriations herein made which are available for the purchase of lands, not to exceed \$1 may be expended for each option to purchase any particular tract or tracts of land.

SEC. 404. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 405. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 406. Not less than [\$575,000 shall be available for contracts in accordance with section 10 (a) of] \$1,500,000 of the appropriations of the Department for research and service work authorized by the Act of August 14, 1946 (7 U. S. C. [427i) from appropriations herein made for the Bureau of Agricultural Economics; Bureau of Animal Industry; Bureau of Dairy Industry; Bureau of Plant Industry, Soils, and Agricultural Engineering; Bureau of Entomology and Plant Quarantine; Bureau of Agricultural and Industrial Chemistry; Bureau of Human Nutrition and Home Economics; and the Forest Service] 427, 1621-1629) shall be available for contracting in accordance with said Act.



SEC. 407. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for

which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That nothing in this section shall be construed to require an affidavit from any person employed for less than sixty days for sudden emergency work involving the loss of human life or destruction of property, the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section.

SEC. 408. No part of any appropriation contained in this Act or of the funds available for expenditure by any corporation or agency included in this Act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress.

SEC. 409. Appropriations of the Department available for research and service work authorized by the Act of August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621-1629) shall be available for expenses of any advisory committee established as provided in title III of said Act to assist in effectuating the research and service work of the Department. (Department of Agriculture Appropriation Act, 1954.)

Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1955

DEPARTMENT OF AGRICULTURE

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
AGRICULTURAL RESEARCH SERVICE								
Salaries and expenses, Agricultural Research Service: Research.....	81	\$113,400	81	\$26,000	\$87,400	311		Scientific and technical personnel: For use in carrying out research programs on agricultural problems relating to the production and utilization of agricultural products, including use of one station wagon at the National Arboretum in Washington, D. C. Research Administrator and staff members: Use of one car for transportation in the District of Columbia.
Station wagon.....	3	5,900	3	1,500	4,400	36		Do.
Plant and animal disease and pest control.....	189	264,600	189	72,900	191,700	640		Inspection personnel and control supervisors: Transportation to farms, ranches, and other premises in the field and urban locations in carrying out the inspection, plant and animal disease and pest control programs.
Station wagon.....						12		Do.
Meat inspection.....	10	14,000	10	4,000	10,000	63		Inspection personnel: Transportation to slaughterhouses and meatpacking plants in urban centers, including the field station in the District of Columbia, in carrying out the provisions of laws relating to the Federal inspection of meat and meat-food products.
Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service.....	(1)		(1)			2		Codirector of the Mexican-United States Commission and supervisory officials: Travel in connection with the prevention of foot-and-mouth disease in Mexico.
Working capital fund, agricultural research center, Agricultural Research Service.....						5		Superintendent, engineers, and other officials: Transportation in supervising and inspecting the maintenance and operation of the Agricultural Research Center and for transporting officials and visiting agricultural leaders to and from various sections of the center.
Research on strategic and critical agricultural materials, Agriculture: Station wagon.....						1		Technical workers and their assistants: For use in planning and carrying forward the work of the Department on Agricultural materials determined to be strategic and critical pursuant to sec. 7 (b) of the Stockpiling Act.
Total, Agricultural Research Service.....	283	397,900	283	104,400	293,500	1,070		
FOREST SERVICE								
Salaries and expenses, Forest Service: National forest protection and management.....	100	140,000	100	30,000	110,000	355	\$2,000	Chief of the Forest Service and staff: Use of 1 car for transportation in the District of Columbia. Forest rangers, forest supervisors, regional foresters and other field officers: For use in the protection, management, utilization, and development of national forests; and in the management of land utilization projects.
Station wagon.....	5	7,000	5	1,500	5,500	14		Do.
Buses (11 or more passenger).....						2		Fire suppression foremen: For transporting special fire crews in remote areas.
Control of forest pests: Forest Service.....	4	5,600	4	1,200	4,400	53		Supervisory and technical personnel: Transportation in connection with forest pest control activities in the field.
Department of the Interior.....	1	1,400	1	400	1,000	2	100	Do.
Station wagon.....						2		Do.
Forest research.....	37	51,800	37	11,100	40,700	153		Research station director and other research employees in the field: For use at Research Center experimental forests and ranges on field research projects and forest survey.
Station wagon.....	3	4,200	3	900	3,300	8		Do.
State and private forestry cooperation, Forest Service.....	2	2,800	2	600	2,200	7		Assistant regional foresters and staff assistants: Travel in connection with improving forest practices on private forest lands.

<sup>1</sup> Subject to the development of the 1955 program.



## Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1955—Continued

## DEPARTMENT OF AGRICULTURE—Continued

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
FOREST SERVICE—continued								
Forest roads and trails, Forest Service.	12	\$16,800	12	\$3,600	\$13,200	38	\$1,000	Regional engineer and staff assistants: Used in directing and inspecting road construction and maintenance.
Total, Forest Service	164	229,600	164	49,300	180,300	634	3,100	
SOIL CONSERVATION SERVICE								
Conservation operations, Soil Conservation Service.	109	152,600	109	32,700	119,900	952		State and area conservationists, technical specialists and survey supervisors: Transportation in connection with (1) inspections, collecting data, servicing scientific instruments, and supervising experimental work in outlying experimental project areas; (2) inspection and supervision of conservation district activities; and (3) management and protection of land utilization projects. Administrator and other staff officials: Use of 1 car for transportation in the District of Columbia.
Station wagon.						13		
Flood prevention, Agriculture: Forest Service.						3		Project personnel: Transportation in connection with making surveys and in the installation of works of improvement on authorized flood-prevention projects.
Soil Conservation Service.	6	8,400	6	1,800	6,600	66		
Station wagon.						6		Project technicians: Transportation in connection with the planning, development, operation, and management of water conservation and utilization projects.
Water conservation and utilization projects, Soil Conservation Service.						12		
Total, Soil Conservation Service.	115	161,000	115	34,500	126,500	1,052		
AGRICULTURAL MARKETING SERVICE								
Marketing research and service: Marketing research and agricultural estimates.	12	16,800	12	3,600	13,200	31	500	Research and technical specialists: For use in supervising, directing and carrying out research programs on agricultural problems. Field statisticians: Transportation to and from important agricultural areas in the preparation of crop and livestock estimates.
Marketing services.	36	50,400	36	14,400	36,000	166		
Station wagon.						2		Market news reporters: For use in gathering and disseminating news of market conditions for various farm crops and livestock. Inspectors and graders: For inspection, classing, and grading of farm products, including work required under the Cotton, Tobacco, Naval Stores and Grain Standards Acts. Administrator and other staff officials: Use of 1 car for transportation in the District of Columbia. Marketing specialists, inspectors, and graders: Transportation to and from warehouses, stockyards, markets, railroad yards, piers and other places for licensing or registration, supervision of operations of licensees to assure compliance, collection of samples for testing, handling of violations with respect to the administration of the United States Warehouse, Federal Seed, Packers and Stockyards, Naval Stores.
Expenses and refunds, inspection and grading of farm products, Agriculture.	20	28,000	20	8,000	20,000	108		
Station wagon.						2		Marketing specialists and inspectors for transportation to and from warehouses, railroad yards, and piers in connection with United States Grain Standards and Warehouse Acts.
Perishable agricultural commodities act fund, Agriculture.	1	1,400	1	400	1,000	6		
Total, Agricultural Marketing Service.	69	96,600	69	26,400	70,200	315	500	Inspectors and graders: For use in inspecting and grading farm and food products—paid from funds advanced by producers for whom services are performed.
FOREIGN AGRICULTURAL SERVICE								
Salaries and expenses, Foreign Agricultural Service.						1		Marketing specialists: Transportation to and from offices of produce dealers and truckers in investigating complaints and violations and checking establishments for compliance with license provisions under Perishable Agricultural Commodities and Produce Agency Acts—paid from license fees collected.
COMMODITY STABILIZATION SERVICE								
Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.						4		Acting Administrator and other officials, for Foreign Agricultural Service: Transportation to and from official conferences and meetings in Washington, D. C., with Members of Congress, U. S. Government officials, and officials of international organizations and of foreign governments; trips to and from embassies of foreign governments for visaing of passports.
Station wagon.						1		
Administrative expenses, Commodity Credit Corporation.	4	5,600	4	1,600	4,000	6		Area office directors and field representatives: For use within Puerto Rico and Hawaii in connection with agricultural conservation, sugar, school lunch, and other assigned programs. Administrator and other staff officials: Use of 1 car for transportation in the District of Columbia.
Station wagon.						1		
Total, Commodity Stabilization Service.	4	5,600	4	1,600	4,000	12		Director, Hawaiian area office and field representatives: Transportation in Hawaii in connection with the Sugar Act program.
								Inspectors and marketing specialists: Transportation to and from warehouses, storage facilities and piers to inspect the packing conditions, markings and related operations in receipt, storage and shipment of commodities owned or controlled by the Corporation.
								Do.

## Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1955—Continued

## DEPARTMENT OF AGRICULTURE—Continued

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
FARMERS' HOME ADMINISTRATION								
Salaries and expenses, Farmers' Home Administration.	7	\$9,800	7	\$2,800	\$7,000	41		Administrator and other staff officials: Use of 1 car for transportation in the District of Columbia. State directors and other field officials: Transportation in assisting and advising county supervisors in the investigation of applications, making of loans, rendering farm management assistance to borrowers and collecting and servicing loans under the various loan programs.
OFFICE OF THE SECRETARY								
Salaries and expenses, Office of the Secretary.	1	1,400	1	400	1,000	3		The Secretary of Agriculture, the Under Secretary, the Assistant Secretaries, and members of their immediate staffs, as well as the heads and other responsible officials of the staff offices which comprise the Office of the Secretary: For transportation in the District of Columbia.
Total, Department of Agriculture.	2643	901,900	643	219,400	682,500	3,128	\$3,600	

## Statement of proposed obligations for purchase, maintenance, and operation of aircraft for the fiscal year 1955

## DEPARTMENT OF AGRICULTURE

Appropriation	Aircraft to be purchased		Aircraft to be exchanged		Net cost of aircraft to be purchased	Old aircraft still to be used	Cost of maintenance and operation of aircraft	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
AGRICULTURAL RESEARCH SERVICE								
Salaries and expenses, Agricultural Research Service:								
Research.....						2	\$2,500	Technical employees: For experimentation and development of improved equipment and methods for spraying and dusting crops and for fertilizing, seeding, and performing other agricultural operations with airplanes. Pest control technicians: For demonstrating the use of special equipment for the suppression of destructive insects attacking crops; and when not otherwise engaged, for supplementing contract aircraft in control operations.
Plant and animal disease and pest control.	1	\$5,000	1	\$1,500	\$3,500	7	8,000	
Total, salaries and expenses, Agricultural Research Service.	1	5,000	1	1,500	3,500	9	10,500	
FOREST SERVICE								
Salaries and expenses, Forest Service: National forest protection and management.	2	40,000	2	10,000	30,000	14	50,000	Forest Service administrative personnel and fire fighters: Transportation of men and supplies including "smoke jumpers" to inaccessible areas for reconnaissance and suppression of large fires, and for detection services in remote areas. Pest control technicians: For use in detection surveys, and demonstrating the use of special equipment for suppression of destructive insects attacking forested areas, and for control operations. Research technicians: For use in experimentation on the application of insecticides for control of forest insects.
Control of forest pests.....	1	13,000	1	7,500	5,500	1	5,000	
Forest research.....						2	2,000	
Total, Forest Service.....	3	53,000	3	17,500	35,500	17	57,000	
Total, Department of Agriculture.	4	58,000	4	19,000	39,000	26	67,500	

<sup>2</sup> Includes 1 vehicle for use of the Secretary in the District of Columbia, and 21 vehicles to be purchased from funds advanced by producers for whom services are performed and from license fees collected. (See items above for "Salaries and expenses, Office of the Secretary"; "Expenses and refunds, inspection and grading of farm products"; and "Perishable agricultural commodities act fund.")



District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 107. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; wage administration; and processing, recording, and reporting.

SEC. 108. None of the sections under the head "Independent offices, General provisions" in this title shall apply to the Housing and Home Finance Agency or the Tennessee Valley Authority.

## CORPORATIONS—GENERAL PROVISIONS

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

## GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 302. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

[SEC. 303. (a) No part of the money appropriated by this Act to any department, agency, or corporation or made available for expenditure by any department, agency, or corporation which is in excess of 75 per centum of the amount required to pay the compensation of all persons the budget estimates for personal services heretofore submitted to the Congress for the fiscal year 1954 contemplated would be employed by such department, agency, or corporation during such fiscal year in the performance of—]

[(1) functions performed by a person designated as an information specialist, information and editorial specialist, publications and information coordinator, press relations officer or counsel, photographer, radio expert, television expert, motion

picture expert, or publicity expert, or designated by any similar title, or]

[(2) functions performed by persons who assist persons performing the functions described in (1) in drafting, preparing, editing, typing, duplicating, or disseminating public information publications or releases, radio or television scripts, magazine articles, photographs, motion pictures, and similar material, shall be available to pay the compensation of persons performing the functions described in (1) or (2).]

[(b) This section shall not apply: To persons employed by the General Services Administration in the performance of functions or related assisting or supporting functions in connection with the publication of the Federal Register, or to persons engaged in functions of the Civil Service Commission related to (1) the preparation and issuance of materials relating to the recruitment of personnel for the Federal service, and (2) the compilation of the Official Register of the United States, or to any department, agency, or corporation which does not employ more than two persons at any one time in the performance of functions described in paragraphs (1) or (2) of subsection (a) of this section.] (*First Independent Offices Appropriation Act, 1954.*)

[SEC. 102. The general provisions applicable to appropriations contained in title I of the "First Independent Offices Appropriation Act, 1954", shall apply to appropriations contained in this Act, excepting the Tennessee Valley Authority: *Provided*, That the provisions of section 102 of such Act shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System.]

[SEC. 103. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.]

[SEC. 104. No part or any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.] (*Second Independent Offices Appropriation Act, 1954.*)

## DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. [1301] —. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year, in accordance with section 16 of the Act of August 2, 1946 (5 U. S. C. 78), for the purchase of any passenger motor vehicle (exclusive of busses, ambulances, and station wagons), is hereby fixed at \$1,400.

SEC. [1302] —. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, (3) is a person who owes allegiance to the United States or (4) is an alien from the Baltic countries lawfully admitted to the United States for permanent residence: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be consid-



## DEPARTMENTS, AGENCIES, AND CORPORATIONS—Continued

ered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony and, upon conviction, shall be fined not more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort.

**SEC. [1303]** — Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for living quarters allowances in accordance with the Act of June 26, 1930 (5 U. S. C. 118a), and regulations prescribed thereunder, and cost-of-living allowances similar to those allowed under section 901 (2) of the Foreign Service Act of 1946, in accordance with and to the extent prescribed by regulations of the President, for all civilian officers and employees of the Government permanently stationed in foreign countries: *Provided*, That the availability of appropriations made to the Department of State for carrying out the provisions of the Foreign Service Act of 1946 shall not be affected hereby.

**SEC. [1304]** — No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

**SEC. [1305]** — No part of any appropriation contained in this or any other Act for the current fiscal year shall be used to pay in excess of \$4 per volume for the current and future volumes of the United States Code Annotated, and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be furnished free of charge, or in excess of \$4.25 per volume for the current or future volumes of the Lifetime Federal Digest.

**SEC. [1306]** — Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 811), shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; [examination of budgets and estimates of appropriations in the field;] services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

**SEC. [1307]** — No part of any funds of or available to any wholly owned Government corporation shall be used for the purchase or construction, or in making loans for the purchase or construction of any office building at the seat of Government primarily for occupancy by any department or agency of the United States Government or by any corporation owned by the United States Government.

**SEC. [1308]** — No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government

of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this or any other Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

**SEC. 1309.** No payment shall be made from appropriations in this or any other Act to any officer on the retired lists of the Regular Army, Regular Navy, Regular Marine Corps, Regular Air Force, Regular Coast Guard, Coast and Geodetic Survey, and Public Health Service for a period of two years after retirement who for himself or for others is engaged in the selling of or contracting for the sale of or negotiating for the sale of to any agency of the Department of Defense, the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service any supplies or war materials.]

**SEC. [1310]** — During the current fiscal year, personnel and appropriations or funds available for salaries and expenses to any department, agency, or corporation in the executive branch of the Government, shall be transferred to any defense activity under the jurisdiction of such department or agency in such numbers or amounts as may be necessary for the discharge of responsibilities relating to the national defense assigned to such department, agency, or corporation by or pursuant to law.

**SEC. 1311.** None of the funds provided by this Act shall be used to pay employees at a rate in excess of that paid for comparable work under the regular appropriations provided to the departments and agencies concerned in the regular 1954 appropriation Acts.]

**SEC. [1312]** — During the current fiscal year, the provisions of Bureau of the Budget Circular A-45, dated June 3, 1952, shall be controlling over the activities of all departments, agencies, and corporations of the Government: *Provided*, That said circular may be amended or changed during such year by the Director of the Budget with the approval of the Chairman of the Committee on Appropriations of the House of Representatives: *Provided further*, That the Bureau of the Budget shall make a report to Congress not later than January 31, [1954] 1955, of the operations of this order upon all departments, agencies, and corporations of the Government: *Provided further*, That, notwithstanding the provisions of any other law, no officer or employee shall be required to occupy any Government-owned quarters unless the head of the agency concerned shall determine that necessary service cannot be rendered or property of the United States cannot be adequately protected otherwise.

**SEC. [1313]** — Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from the applicable appropriations of the agency concerned: *Provided*, [That such credits may be used until June 30, 1954, without reimbursement to the Treasury, for liquidation of obligations legally incurred against such credits prior to July 1, 1953: *Provided further*,] That such credits received as exchange allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury: *Provided further*, That nothing in section 1415 of the Act of July 15, 1952, or in this section shall be construed to prevent the making of new or the carrying out of existing contracts, agreements, or executive agreements for periods in excess of one year, in any case where such contracts, agreements, or executive agreements for periods in excess of one year were permitted prior to the enactment of this Act under section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b) (2)), and the performance of all such contracts, agreements, or executive agreements shall be subject to the availability of appropriations for the purchase of credits as provided by law.

**SEC. 1314.** Funds made available in this or any other Act shall hereafter be available for examination of estimates of appropriations in the field and the use of such funds for such purpose shall be subject only to regulations by the standing committees concerned.]

**SEC. [1315]** — (a) During the current fiscal year, no part of any appropriation for the executive branch contained in this or any other Act, or of any funds made available for expenditure by any corporation included in this or any other Act, shall be used to pay the compensation of any civilian employee of the Government whose principal or primary duties consist of acting as chauffeur or driver of any Government-owned passenger motor vehicle (other than a bus or ambulance), unless such appropriation is specifically authorized to be used for paying the compensation of employees performing such duties. This subsection shall not apply to—



(1) Any person employed by an agency for which appropriations of funds were made available by the Independent Offices Appropriation Act, 1953, and whose place of duty is in a foreign country

(2) Any person acting as chauffeur for—

The President of the United States  
The Secretary of State  
The Secretary of the Treasury  
The Attorney General  
The Postmaster General  
The Secretary of the Interior  
The Undersecretary of the Interior  
The Secretary of Agriculture  
The Secretary of Commerce

(3) Automobiles operated by—

The Federal Bureau of Investigation  
The United States Secret Service  
The Departments of State, Justice, Commerce, and Interior, outside the District of Columbia

(4) One-half of the chauffeur-driven automobiles in operation in the Departments of State, Justice, and Commerce on July 1, 1951

(5) Agencies for which appropriations or funds were made available by the Department of Defense Appropriation Act, 1953, or the Civil Functions Appropriation Act, 1953.

(6) The agencies named in subsection (b) of this section.

(b) In no event shall the number of passenger-carrying vehicles

which may be operated during the current fiscal year at the seat of government under any appropriation or authorization for the Department of Labor, the Department of Health, Education and Welfare, the National Labor Relations Board, the National Mediation Board, the Railroad Retirement Board, or the Federal Mediation and Conciliation Service exceed 50 per centum of the number in use as of June 30, 1951.

§ 1316. Notwithstanding the provisions of any other law, no funds shall be available in this or any other Act for the purchase of furniture by any department or agency in any branch of the Government if such requirements can reasonably be met, as determined by the Administrator of General Services, by transfer of excess furniture including rehabilitated furniture from other departments and agencies pursuant to the Federal Property and Administrative Services Act of 1949, as amended.]

§ 1317. The appropriations, authorizations, and authority with respect thereto in this Act or any regular annual appropriation Act for the fiscal year 1954 which has not been enacted into law prior to July 1, 1953, shall be available from and including such date for the purposes respectively provided in such appropriations, authorizations, and authority. All obligations incurred during the period between June 30, 1953, and the date of enactment of this Act or the applicable Act in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the respective terms thereof.] (Supplemental Appropriation Act, 1954.)

### PROPOSED FOR LATER TRANSMISSION

*Salaries and expenses, Advisory Committee on Weather Control* (under existing legislation, 1954).—Public Law 256, passed late in the last session of Congress, created this Committee to study and evaluate public and private experiments in weather modification. An estimated supplemental appropriation of \$150,000 is included in the budget to support the Committee during the latter part of fiscal year 1954 and the entire fiscal year 1955.

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Proposed supplemental appropriation.....		\$150,000	
Unliquidated obligations, start of year.....			\$2,000
Unliquidated obligations, end of year.....		2,000	6,000
Expenditures are distributed as follows:			
Out of current authorizations.....		28,000	
Out of prior authorizations.....			116,000

*Administrative expenses, Farm Credit Administration* (under existing legislation, 1954).—Supplemental assessments of \$140,000, to be collected from farm credit banks and corporations, are anticipated for 1954 to provide for the operations of the Farm Credit Administration under the Farm Credit Act of 1953 (67 Stat. 390).

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Proposed supplemental appropriation.....		\$140,000	
Unliquidated obligations, start of year.....			\$7,000
Unliquidated obligations, end of year.....		7,000	
Expenditures are distributed as follows:			
Out of current authorizations.....		133,000	
Out of prior authorizations.....			7,000

*Arbitration and emergency boards, National Mediation Board* (under existing legislation, 1954).—An additional \$107,000 will be needed to finance Arbitration and Emergency Boards authorized by sections 7 and 10 of the Railway Labor Act of 1926, as amended.

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Proposed supplemental appropriation.....		\$107,000	
Unliquidated obligations, start of year.....			\$10,000
Unliquidated obligations, end of year.....		10,000	

#### ANALYSIS OF EXPENDITURES—continued

	1953 actual	1954 estimate	1955 estimate
Expenditures are distributed as follows:			
Out of current authorizations.....		\$97,000	
Out of prior authorizations.....			\$10,000

*Salaries and expenses, The Tax Court of the United States* (under existing legislation, 1954).—A supplemental appropriation is required for 1954 in the amount of \$25,000 to comply with the provisions of the act of August 7, 1953, which provides for the retirement of judges of the Tax Court of the United States. The act requires the retirement of any judge who has served 10 years or more and has attained the age of 70. Under this mandatory provision, 2 of the judges will retire as of December 1, 1953, and will receive retired pay from the judges' payroll of the court.

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Proposed supplemental appropriation.....		\$25,000	
Expenditures out of current authorizations.....		25,000	

*Compensation and pensions, Veterans Administration* (under existing legislation, 1954).—An amount of \$215,000,000 will be required for 1954 to cover uncontrollable compensation and pension loads now anticipated.

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Proposed supplemental appropriation.....		\$215,000,000	
Expenditures out of current authorizations.....		215,000,000	

*Servicemen's indemnities, Veterans Administration* (under existing legislation, 1954).—A supplemental appropriation of \$3,100,000 for 1954 will be required to cover claims costs which are exceeding the original estimate.

#### ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Proposed supplemental appropriation.....		\$3,100,000	
Expenditures out of current authorizations.....		3,100,000	

## PROPOSED FOR LATER TRANSMISSION

*Salaries and expenses, Forest Service* (under existing legislation, 1954).—A supplemental appropriation for 1954 in the amount of \$3,000,000 is anticipated for fighting fires on or threatening lands under Forest Service administration.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Proposed supplemental appropriation.....		\$3,000,000	
Unliquidated obligations, start of year.....			\$500,000
Unliquidated obligations, end of year.....		500,000	
Expenditures are distributed as follows:			
Out of current authorizations.....		2,500,000	
Out of prior authorizations.....			500,000

*Watershed protection, Soil Conservation Service* (under proposed legislation, 1955).—A supplemental appropriation in the sum of \$3,000,000 for 1955 is anticipated as a first step to initiate, under permanent comprehensive legislation, an improved program for upstream watershed protection and flood damage prevention in cooperation with States, local groups, and farmers.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Proposed supplemental appropriation.....			\$3,000,000
Unliquidated obligations, end of year.....			600,000
Expenditures out of current authorizations.....			2,400,000

*Commodity Credit Corporation* (under existing legislation, 1954).—It is assumed that legislative action on an anticipated proposal to increase the borrowing authority could not be completed in time to meet peak requirements anticipated in February 1954. Therefore, it is contemplated that rather than include certain appropriation items in the 1955 budget, there will be submitted to the Congress early in the current session supplemental 1954 estimates authorizing the Secretary of the Treasury to cancel notes of the Corporation in an amount equal to (1) the impairment of the Corporation's capital resulting from fiscal 1953 operations (estimated at \$642 million), and (2) advance made by the Corporation, and related costs, for other 1953 programs of the Department (International Wheat Agreement, \$130,867,992, and eradication of foot-and-mouth disease and other contagious diseases of animals and poultry, \$2,086,770). Early enactment of

such supplementals will permit continuance of the Corporation's operations through the estimated maximum requirements of February 1954 and will permit a more thorough appraisal of the need for an increase in statutory borrowing authority in the light of price-support and related legislation then being considered by the Congress.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Authorizations to expend from public debt receipts, cancellation of notes:			
Capital impairment.....		\$642,000,000	
International Wheat Agreement.....		130,867,992	
Eradication of foot-and-mouth disease.....		2,086,770	
Total.....		774,954,762	
Prior year balance available (authorization to expend from public debt receipts): Unobligated.....			\$774,954,762
Balance available in subsequent year (authorization to expend from public debt receipts):			
Obligated.....			—663,524,762
Unobligated.....		—774,954,762	—111,430,000
Total expenditures.....			

*Commodity Credit Corporation* (under proposed legislation, 1955).—The latest estimates of the Corporation's operations indicate that its obligations during February 1955 will exceed its present statutory borrowing authority of \$6.75 billion. In addition, it is planned to submit a legislative proposal to the Congress to increase the national cotton acreage allotment to approximately 21 million acres. This increase will result in increased obligations for cotton loans made in fiscal 1955. However, the actual budget expenditure will not materialize until 1956 when the bank-held loans are taken over by the Corporation. In view of the foregoing, it is planned to submit a legislative proposal to the Congress to increase the borrowing authority of the Corporation by \$1,750 million.

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Authorization to expend from public debt receipts:			
For proposed legislation to increase national cotton acreage allotment.....			\$330,000,000
Other.....			1,420,000,000
Total.....			1,750,000,000
Deduct balance available in subsequent year (authorization to expend from public debt receipts).....			1,750,000,000
Total expenditures.....			



TABLE 10  
SUMMARY OF TRUST RECEIPTS, EXPENDITURES, AND APPROPRIATIONS

Based on existing and proposed legislation

Description	1953 actual	1954 estimate	1955 estimate
<b>TRUST FUND RECEIPTS</b> (see table 11 for detail):			
Federal employees' retirement funds:			
Deductions from employees' salaries and other receipts.....	\$424,668,977	\$426,805,000	\$426,680,000
Interest and profits on investments.....	215,248,762	226,531,000	235,555,000
Transfers from general and special accounts.....	321,450,000	31,397,000	29,623,000
Federal old-age and survivors insurance trust fund:			
Appropriation from general account receipts, etc.....	4,086,293,392	4,600,000,000	5,469,000,000
Deposits by States.....	44,075,127	100,000,000	135,000,000
Interest on investments.....	386,639,734	441,635,522	476,618,241
Other.....	40,472	25,000	25,000
Railroad retirement account:			
Appropriation from general fund receipts.....	625,085,205	640,000,000	640,000,000
Transfers from general accounts.....	33,000,000	34,852,000	
Interest on investments.....	89,295,185	97,600,000	104,900,000
Unemployment trust fund:			
Deposits by States.....	1,371,184,049	1,325,000,000	1,455,000,000
Transfers from railroad unemployment insurance administration fund.....	4,864,976	4,276,603	4,279,657
Deposits by Railroad Retirement Board.....	15,041,689	15,000,000	15,000,000
Interest on investments.....	202,767,952	222,196,324	216,215,792
Veterans' life insurance funds:			
Premiums and other receipts.....	427,548,283	521,691,000	485,085,450
Interest on investments.....	199,786,028	207,800,000	207,900,000
Transfers from general and special accounts.....	84,034,893	75,294,671	36,212,512
Other trust accounts:			
Transfers from general and special accounts.....	11,000,000	12,000,000	26,797,660
Miscellaneous trust receipts.....	426,390,125	462,319,720	359,018,362
Adjustment to daily Treasury statement basis.....	-36,860,884		
Total, trust fund receipts.....	8,931,553,965	9,444,423,840	10,322,910,674
<b>TRUST FUND EXPENDITURES</b> (see table 12 for detail):			
Federal employees' retirement funds: Annuities and refunds.....	363,037,842	421,366,435	448,191,000
Federal old-age and survivors insurance trust fund: Benefit payments and administrative expenses.....	2,748,337,561	3,368,456,400	4,216,721,358
Railroad retirement account: Benefit payments and other expenditures.....	465,203,277	489,600,000	512,600,000
Unemployment trust fund: Withdrawals by States and other expenditures.....	1,004,323,564	1,095,172,091	1,255,170,330
Veterans' life insurance fund: Insurance losses and refunds.....	659,761,068	830,250,000	740,680,000
Other trust funds: Miscellaneous trust expenditures.....	423,673,608	619,228,972	479,656,890
Deposit funds (net).....	* 470,802,277	* 70,296,501	6,409,060
Adjustment to daily Treasury statement basis.....	+94,545,597		
Total, trust fund expenditures.....	15,288,080,240	6,753,777,397	7,659,428,638
Net accumulations in trust funds.....	3,643,473,725	2,690,646,443	2,663,482,036
<b>TRUST FUND APPROPRIATIONS</b> (see table 12 for detail):			
Federal employees' retirement funds.....	961,367,739	684,733,000	691,858,000
Federal old-age and survivors insurance trust fund.....	4,516,282,032	5,141,660,522	6,080,643,241
Railroad retirement fund.....	747,380,390	772,452,000	744,900,000
Unemployment trust fund.....	1,593,858,666	1,566,472,927	1,690,495,449
Veterans' life insurance funds.....	711,369,204	804,785,671	729,197,962
Other trust funds.....	420,388,928	478,889,491	385,554,883
Total, trust fund appropriations.....	8,950,646,959	9,448,993,611	10,322,649,535

\* Deduct, excess of repayments and collections over expenditures.

† Includes transactions of mixed-ownership corporations of \$119,262,200 (net) which are shown separately in the daily Treasury statement.

TABLE 11—Continued  
TRUST RECEIPTS—Continued  
BY AGENCY AND RECEIPT TITLE—Continued

Agency and receipt title	1953 actual	1954 estimate	1955 estimate
<b>General Services Administration:</b>			
Deposits, American National Red Cross, District of Columbia Chapter Building.....	\$359,060	\$80,121	-----
Donations, National Archives gift fund.....	18,134	20,000	\$20,000
Total, General Services Administration.....	377,194	100,121	20,000
<b>Department of Agriculture:</b>			
Deposits, feed and attendants for animals in quarantine.....	30,202	30,000	30,000
Deposits of fees, inspection of animal foods.....	94,835	76,329	64,339
Deposits of fees, inspection and grading of farm products.....	10,939,086	11,400,000	11,100,000
Deposits of miscellaneous contributed funds.....	1,118,400	874,624	850,950
Deposits, technical services and other assistance, agricultural conservation program, Soil Conservation Service, act of June 29, 1949.....	4,725,515	5,000,000	-----
Forest Service cooperative fund.....	8,347,252	8,500,000	8,500,000
United States dollars advanced from foreign governments for technical assistance.....	3,000	-----	-----
Total, Department of Agriculture.....	25,258,290	25,880,953	20,545,289
<b>Department of Commerce:</b>			
Deposits, equipment, supplies, etc., for cooperative countries, Bureau of Public Roads.....	1,073,110	500,000	-----
Deposits, gifts and bequests, National Bureau of Standards.....	10,950	49,498	50,000
Deposits, gifts and donations, Civil Aeronautics Administration.....	42,099	14,286	-----
Deposits, special statistical work, Census.....	1,229,372	900,000	600,000
Deposits, special statistical work, Business and Defense Services Administration.....	-----	-----	10,000
Deposits, special statistical work, Foreign and Domestic Commerce.....	10,350	10,000	-----
Deposits, special statistical work, National Bureau of Standards.....	1,049	3,000	3,000
Deposits, special statistical work, Weather Bureau.....	23,500	10,500	-----
Deposits, transcripts of studies, tables, and other records, Office of the Secretary.....	82,690	70,000	70,000
Donations for chapel and library, United States Mercantile Marine Academy, Kings Point, N. Y.....	26,128	35,000	50,000
United States dollars advanced from foreign governments for technical assistance.....	3,471,507	2,000,000	1,500,000
Total, Department of Commerce.....	5,970,755	3,592,284	2,283,000
<b>Department of Defense—Military Functions:</b>			
Department of the Army:			
Deposits, advances for cost of delivery of surplus military property.....	81	-----	-----
Deposits, advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	4,693,740	2,000,000	2,000,000
Deposits, expenses, International Refugee Organization.....	983	-----	-----
Deposits, Kermit Roosevelt fund.....	3,250	3,300	3,300
Deposits, transportation, International Refugee Organization.....	125	-----	-----
Deposits, United States Department of the Army, general gift fund.....	5,000	5,000	1,000
Deposits, work and procurement programs for American Republics.....	6,572	-----	-----
Funds contributed by States for National Guard Armory construction.....	267,014	160,000	168,000
Interest on investments, bequest of Maj. Gen. Fred C. Ainsworth to Walter Reed General Hospital.....	279	279	279
Total, Department of the Army.....	4,977,044	2,168,579	2,172,579
Department of the Navy:			
Contributions to Office of Naval Records and library fund.....	3,498	10,000	6,000
Contributions to United States Naval Academy general gift fund.....	45	-----	-----
Deposits, United States Department of the Navy, general gift fund.....	9,760	-----	-----
Deposits, Transportation, International Refugee Organization, Navy.....	23,198	-----	-----
Income on investments, United States Naval Academy general gift fund.....	2,125	2,300	2,300
Income on investments, United States Naval Academy museum fund.....	574	600	600
Proceeds, civic fund, naval reservation, Olongapo, Philippine Islands.....	277,454	308,710	295,000
Total, Department of the Navy.....	316,654	321,610	303,900
Total, Department of Defense—Military Functions.....	5,293,698	2,490,189	2,476,479
<b>Department of Defense—Civil Functions:</b>			
Department of the Army:			
Deposits of funds contributed for flood control rivers and harbors.....	5,202,268	-----	-----
Deposits of funds contributed for improvement of rivers and harbors.....	337,482	-----	-----
Deposits of funds contributed for rivers and harbors.....	-----	2,954,722	1,517,000
Deposits, proceeds of remittances to and exports from occupied territories.....	10,420	5,000	-----
Deposits to Soldiers' Home permanent fund.....	12,456,512	13,225,000	13,375,000
Total, Department of Defense—Civil Functions.....	18,006,682	16,184,722	14,892,000



TABLE 12—Continued  
TRUST APPROPRIATIONS AND EXPENDITURES—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>General Services Administration—Continued</b>							
Consolidated working fund, General Services Administration.....	600				\$4,150		
Total, General Services Administration.....		\$377,194	\$100,121	\$20,000	644,815	\$113,760	\$18,620
<b>Department of Agriculture:</b>							
Agricultural Marketing Service: Expenses and refunds, inspection and grading of farm products.....	350	10,939,086	11,400,000	11,100,000	11,397,197	11,640,200	11,649,000
Agricultural Research Service:							
Expenses, feed and attendants for animals in quarantine.....	350	30,202	30,000	30,000	19,939	19,559	19,300
Inspection of animal foods.....	200	94,835	76,329	64,339	91,720	71,000	70,000
Farmers' Home Administration: State rural rehabilitation funds.....	350				5,303,891	570,617	418,000
Forest Service:							
Construction of forest access roads to standing timber (advance from Reconstruction Finance Corporation).....	400				10,728		
Cooperative work.....	400	8,347,252	8,500,000	8,500,000	7,093,639	7,413,000	8,376,000
Forest Service, State Rural Rehabilitation Corporation funds.....	400				1,354		
Soil Conservation Service:							
Operation and maintenance, water distribution systems, water conservation and utilization projects	350				14,753		
Payments in lieu of taxes and operation and maintenance costs, water conservation and utilization projects.....	350				93,276	24,039	* 2,050
Technical services and other assistance, Agricultural Conservation Program Service.....	350	4,725,515	5,000,000		3,017,454	5,791,000	1,927,000
Miscellaneous:							
Miscellaneous contributed funds.....	350	1,118,400	874,624	850,950	1,066,604	1,048,500	926,450
Technical assistance, United States dollars advanced from foreign governments.....	150	3,000			4,082	1,385	
Consolidated working fund, Department of Agriculture.....	350				* 9,444	20,000	16,826
Total, Department of Agriculture.....		25,258,290	25,880,953	20,545,289	28,110,193	26,599,300	23,400,526
<b>Department of Commerce:</b>							
Office of the Secretary: Expenses, transcripts of studies, tables, and other records.....	500	82,690	70,000	70,000	60,443	60,000	60,000
Bureau of the Census: Special statistical work.....	300	1,229,372	900,000	600,000	1,295,401	990,122	726,026
Civil Aeronautics Administration:							
Expenses of foreign students.....	150				18,229	2,351	
Gifts and donations.....	450	42,099	14,286		3,350	45,000	6,079
Business and Defense Services Administration: Special statistical work.....	500			10,000			10,500
Bureau of Foreign Commerce: Special statistical work.....	500	10,350	10,000		20,528	13,000	752
Maritime activities: United States Merchant Marine Academy, Kings Point, N. Y., donations for chapel and library.....	450	26,128	35,000	50,000	10		
Bureau of Public Roads:							
Cooperative work, forest highways.....	450				144,563	105,048	
Equipment, supplies, etc., for cooperating countries.....	150	1,073,110	500,000		1,138,557	900,505	
Technical assistance, United States dollars advanced from foreign governments.....	150	3,471,507	2,000,000	1,500,000	3,055,269	2,622,961	1,500,000
National Bureau of Standards:							
Gifts and bequests.....	300	10,950	49,498	50,000	* 6,946	63,054	52,000
Special statistical work.....	300	1,049	3,000	3,000	2,680	4,172	3,000
Weather Bureau: Special statistical work.....	600	23,500	10,500		19,983	19,864	
Miscellaneous: Consolidated working fund, Commerce.....	610				23,577	10,360	
Total, Department of Commerce.....		5,970,755	3,592,284	2,283,000	5,775,644	4,836,437	2,358,357
<b>Department of Defense—Military Functions:</b>							
Department of the Army:							
Advances for cost of delivery of surplus military property.....	600	81				116	
Advances for Korea from United Nations Educational, Scientific, and Cultural Organization.....	150				100,000		
Advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	150	4,693,740	2,000,000	2,000,000	30,327	3,635,000	3,000,000

\* Deduct, excess of repayments and collections over expenditures.

TABLE 12—Continued  
TRUST APPROPRIATIONS AND EXPENDITURES—Continued  
BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>Department of Defense—Military Functions—Continued</b>							
Department of the Army—Continued							
Bequest of Maj. Gen. Fred C. Ainsworth, library, Walter Reed General Hospital.....	050	\$279	\$279	\$279	\$53	\$653	\$279
Bequest of William F. Edgar, museum and library, Office of Surgeon General of the Army.....	050				138	1,000	500
Expenses, International Refugee Organization.....	150	983			2,829	7,243	
Kermit Roosevelt fund.....	150	3,250	3,300	3,300	3,250	3,500	3,300
National Guard armory construction, State-con- tributed funds.....	050	267,014	160,000	168,000	153,726	158,507	212,781
Transportation, International Refugee Organization.....	150	125			1,192	11,155	
United States Department of the Army general gift fund.....	050	5,000	5,000	1,000	9,168	10,000	10,000
Work and procurement programs for American republics.....	150	6,572				119,902	
Total, Department of the Army.....		4,977,044	2,168,579	2,172,579	300,683	3,947,076	3,226,860
Department of the Navy:							
Naval reservation, Olongapo civic fund.....	050	277,454	308,710	295,000	248,418	241,712	324,000
Office of naval records and library fund.....	050	3,498	10,000	6,000	• 55		
Transportation, International Refugee Organization.....	150	23,198			2,797	51	
United States Department of the Navy general gift fund.....	050	9,760				9,760	
United States Naval Academy general gift fund.....	050	2,170	2,300	2,300	5,111	10,234	7,000
United States Naval Academy museum fund.....	050	574	600	600			411
Total, Department of the Navy.....		316,654	321,610	303,900	256,271	261,757	331,411
Department of the Air Force: Dodge memorial gymna- sium.....	050				13		
Total, Department of Defense—Military Functions.....		5,293,698	2,490,189	2,476,479	556,967	4,208,833	3,558,271
<b>Department of Defense—Civil Functions:</b>							
Department of the Army:							
Funds advanced for improvement of rivers and barbors.....	450				4,337		
Funds contributed for flood control, rivers and barbors.....	400	5,202,268			3,410,659		
Funds contributed for improvement of rivers and harbors.....	450	337,482			2,022,495		
Rivers and barbors advance fund.....	400					93,546	
Rivers and barbors contributed fund:							
(Flood control projects).....	400		2,954,722	878,763		6,140,174	3,828,017
(Navigation projects).....	450			638,237		859,826	965,932
Government and relief in occupied areas: Proceeds of remittances to and exports from occupied territories.....	150	10,420	5,000		30,102	229,444	
United States Soldiers' Home:							
Maintenance and operation.....	100	3,452,000	4,655,000	5,134,000	7,989,270	8,483,399	5,209,366
Capital outlay.....	100						
Soldiers' Home permanent fund.....	100	4,896	5,000	5,000	4,896	5,000	5,000
Consolidated working fund, Army, Engineers, civil.....	400				307		
Total, Department of Defense—Civil Functions.....		9,007,066	7,619,722	6,656,000	13,462,066	15,811,389	10,008,315
<b>Department of Health, Education, and Welfare:</b>							
Freedmen's Hospital: Conditional gift fund.....	200				15,713	727	
Public Health Service:							
Patients' benefit fund, Public Health Service hospi- tals.....	200	5,056	1,000	1,000	1,653	2,000	2,000
Public Health Service conditional gift fund.....	200	13,425	47,900	24,650	24,091	31,000	28,000
Public Health Service unconditional gift fund.....	200	41,560	28,500	27,500	15,059	2,000	1,000
Saint Elizabeths Hospital: Patients' benefit fund.....	200	102	100	100	60	100	100
Office of the Secretary: Consolidated working fund, Office of the Secretary of Health, Education, and Wel- fare.....	600				• 2,996	1,642	
Total, Department of Health, Education, and Welfare.....		60,143	77,500	53,250	53,580	37,469	31,100

• Deduct, excess of repayments and collections over expenditures.



TABLE 12—Continued

TRUST APPROPRIATIONS AND EXPENDITURES—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>Department of the Interior:</b>							
Bonneville Power Administration: Construction of electric transmission lines and substations, contributions, Bonneville power project.....	400	\$113,503	\$63,870	-----	\$89,521	\$138,870	-----
Bureau of Land Management:							
Contributed funds.....	400	151,000	150,000	\$150,000	147,035	160,000	\$165,000
Expenses, public survey work.....	400	20,104	20,000	20,000	14,270	15,000	16,000
Trustee funds, Alaska townsites.....	600	26,786	2,434	2,400	24,721	1,000	1,000
Bureau of Indian Affairs:							
Indian moneys, proceeds of labor, agencies, schools, etc.....	600	1,438,986	2,500,000	2,500,000	1,408,902	2,500,000	2,437,000
Indian tribal funds.....	600	21,739,633	25,000,000	25,000,000	23,148,858	21,500,000	21,700,000
Bureau of Reclamation: Reclamation trust funds.....	400	127,802	382,235	715,000	424,989	650,000	700,000
Geological Survey: Advances, authorized services.....	400	538,292	500,000	500,000	643,566	500,000	500,000
Bureau of Mines: Contributed funds.....	400	562,391	350,000	250,000	670,106	433,000	366,374
National Park Service:							
Jefferson National Expansion Memorial contribution.....	400	-----	-----	-----	7,979	10,754	-----
National Park Service, donations.....	400	235,114	20,000	20,000	452,367	588,795	308,005
National Park trust fund.....	400	-----	4,111	2,614	13,500	3,500	-----
Preservation, birthplace of Abraham Lincoln.....	400	1,585	1,585	1,585	394	2,457	435
Consolidated working fund, Interior, National Park Service.....	400	-----	-----	-----	21,744	30,000	50,000
Fish and Wildlife Service: Contributed funds.....	400	148,738	150,000	150,000	133,090	200,000	170,000
Office of Territories: Funds contributed for improvement of roads, bridges, and trails, Alaska.....	450	260,791	300,000	300,000	260,791	300,000	300,000
Total, Department of the Interior.....		25,364,725	29,444,235	29,611,599	27,461,833	27,033,376	26,713,814
<b>Department of Justice:</b>							
Federal Prison System: Commissary funds, Federal prisons.....	200	-----	-----	-----	47,030	-----	-----
Office of Alien Property:							
Alien property fund, World War I.....	600	-----	-----	-----	54,959	18,034	25,000
Alien property fund, World War II.....	600	-----	-----	-----	• 8,965,762	69,261,345	• 7,798,000
Alien property fund, Philippines, World War II.....	150	-----	-----	-----	• 602	136,047	• 168,000
Total, Department of Justice.....		-----	-----	-----	• 8,864,375	69,415,426	• 7,941,000
<b>Department of Labor:</b>							
Bureau of Employees' Compensation:							
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act, as amended.....	200	39,245	40,000	40,000	7,265	10,000	10,000
Relief and rehabilitation, Workmen's Compensation Act, within the District of Columbia.....	200	3,467	5,000	5,000	4,883	5,000	5,000
Consolidated working fund, Labor, Employees' Compensation.....	200	-----	-----	-----	193	• 599	• 600
Bureau of Labor Statistics: Special statistical work.....	550	20,200	71,500	9,500	45,871	65,061	23,072
Total, Department of Labor.....		62,912	116,500	54,500	58,212	79,462	37,472
<b>Department of State:</b>							
Chinese indemnity claims growing out of bombing of steamship <i>President Hoover</i> .....	150	-----	-----	-----	7,604	-----	-----
Education of Iranian students in the United States.....	150	-----	-----	-----	35,531	30,744	2,450
Foreign service retirement and disability fund.....	200	1,409,826	1,249,000	1,222,000	1,830,528	1,940,000	2,054,000
Panamanian indemnity covering claims arising from personal injuries sustained by United States soldiers.....	150	-----	-----	-----	-----	1,578	-----
Repatriation of American seamen.....	150	-----	-----	-----	-----	151	-----
Payment of Claims, Special Claims Commission, under article 2 of convention, Apr. 24, 1934, between the United States and Mexico.....	150	-----	-----	-----	-----	1,000	1,000
United Nations indemnity covering claims arising from death of United States soldiers.....	150	-----	-----	-----	15,000	-----	-----
United States dollars advanced from foreign governments, United States international educational exchange program.....	150	231,388	320,000	320,000	241,588	300,000	315,000
Total, Department of State.....		1,641,214	1,569,000	1,542,000	2,130,251	2,273,473	2,372,450

• Deduct, excess of repayments and collections over expenditures.

TABLE 12—Continued  
 TRUST APPROPRIATIONS AND EXPENDITURES—Continued  
 BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>Treasury Department:</b>							
Office of the Secretary:							
Federal old-age and survivors insurance trust fund:							
Administrative expenses.....	200	\$4,516,282,032	\$5,141,660,522	\$5,980,643,241	\$63,438,521	\$63,789,577	\$66,184,500
Construction and equipment of building.....						1,110,000	390,000
Benefit payments.....	200				2,628,428,021	3,238,009,093	3,674,793,711
Interest purchased.....	200				86,826		
Refunds of overpayments of payroll tax receipts.....					33,000,000	40,500,000	42,000,000
Reimbursements to general fund for administrative expenses.....					23,384,193	25,047,730	25,353,147
Total, Federal old-age and survivors insurance trust fund.....		4,516,282,032	5,141,660,522	5,980,643,241	2,748,337,561	3,368,456,400	3,808,721,358
Pershing Hall memorial fund.....	600	4,978	4,978	4,978	4,978	7,467	4,978
Unemployment trust fund:							
Railroad unemployment insurance account: Railroad benefit payments.....	550	1,593,858,666	1,566,472,927	1,545,495,449	97,921,000	95,247,000	95,247,000
State accounts: Withdrawals by States.....	550				906,402,564	999,925,091	1,000,923,330
Total, unemployment trust fund.....		1,593,858,666	1,566,472,927	1,545,495,449	1,004,323,564	1,095,172,091	1,195,170,330
Bureau of Accounts:							
Mexican claims fund.....	150	2,500,000	2,500,000	2,500,000	2,518,797	2,500,000	2,500,000
Panama claims fund.....	150	53,800				226,900	
Payment of pre-1934 bonds of the Government of the Philippines.....	600	200,239	170,586	170,586	8,157,520	188,355	255,586
Payment of unclaimed moneys.....	600	69,601	100,000	100,000	69,601	100,000	100,000
Return of miscellaneous and excess collections.....	600				• 21,881		
Unclaimed moneys of individuals whose whereabouts are known.....	600	14,425			10,803		
Yugoslav claims fund.....	150				62,433	1,000,000	15,937,567
Bureau of Customs:							
Refunds, transfers, and expenses of operation, Virgin Islands.....	600	194,261	194,000	194,000	172,030	166,000	168,000
Refunds, transfers, and expenses of operation, Puerto Rico.....	600	4,186,026	4,000,000	4,000,000	4,103,396	4,000,000	4,000,000
Refunds, transfers and expenses, unclaimed, abandoned, and seized goods.....	600	359,648	360,000	360,000	352,756	353,000	353,000
Internal Revenue Service: Expenses, Treasury Department, enforcement title III, National Prohibition Act, as amended, Puerto Rico and Virgin Islands.....	600	135,253	126,891	58,036	125,180	104,667	103,271
Coast Guard: Coast Guard Academy, donations for chapel.....	450				39,206		
Total, Treasury Department.....		6,117,858,979	6,715,589,934	7,533,526,290	3,768,255,944	4,472,274,880	5,027,314,090
District of Columbia.....	600	149,463,503	165,277,836	158,305,322	142,984,045	175,001,571	180,815,797
Deposit funds (net).....					• 470,802,277	• 70,296,501	6,409,060
<b>Additional appropriations and expenditures under proposed legislation:</b>							
Old-age and survivors insurance program.....	200			100,000,000			408,000,000
Unemployment compensation program.....	550			145,000,000			60,000,000
District of Columbia.....	600		4,587,469	28,164,760		4,587,469	14,797,660
Additional appropriations and expenditures under proposed legislation.....			4,587,469	273,164,760		4,587,469	482,797,660
Adjustment to daily Treasury statement basis.....					+94,545,597		
Total, trust fund appropriations and expenditures.....		8,950,646,959	9,448,993,611	10,322,649,535	1 5,288,080,240	6,753,777,397	7,659,428,638

• Deduct, excess of repayments and collections over expenditures.

1 Includes transactions of mixed-ownership corporations of \$119,262,200 (net) which are shown separately in the daily Treasury statement.



## A. Statement of sources and application of funds

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Acquisition of assets: Equipment.....	\$165	\$1,500	\$1,500
<b>Expenses:</b>			
Purchases of publications for resale.....	13,646	5,000	15,000
Operating expenses.....	21,147	26,900	27,900
Increase in selected working capital.....	2,777		
Total applied to operations.....	37,735	33,400	44,400
<b>To financing: Increase in Treasury cash.....</b>	5,089	2,600	
<b>Total funds applied.....</b>	42,824	36,000	44,400
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Income:			
Sales of publications.....	5,058	11,000	15,000
Fees from reproduction services.....	24,917	25,000	26,000
Adjustment of prior year income.....	12,849		
Total provided by operations.....	42,824	36,000	41,000
<b>By financing: Decrease in Treasury cash.....</b>			3,400
<b>Total funds provided.....</b>	42,824	36,000	44,400

## EFFECT ON TRUST EXPENDITURES

Funds applied to operations.....	\$37,735	\$33,400	\$44,400
Funds provided by operations.....	42,824	36,000	41,000
<b>Net effect on trust expenditures.....</b>	-5,089	-2,600	3,400

## B. Statement of income and expense

	1953 actual	1954 estimate	1955 estimate
<b>Income:</b>			
Sales of publications.....	\$5,058	\$11,000	\$15,000
Fees from reproduction services.....	24,917	25,000	26,000
Total income.....	29,975	36,000	41,000
<b>Expenses:</b>			
Cost of goods sold:			
Purchases of publications for resale.....	13,646	5,000	15,000
Increase (-) or decrease in raw materials inventory.....	-10,795	1,000	-6,000
Cost of goods sold.....	2,851	6,000	9,000
Operating expenses:			
Operating expenses (excluding depreciation).....	21,147	26,900	27,900
Depreciation on equipment.....	9	83	157
Total operating expenses.....	21,156	26,983	28,057
Total expenses.....	24,007	32,983	37,057
<b>Net operating income for the year.....</b>	5,968	3,017	3,943
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	13,930	32,747	35,764
Adjustment of prior year income.....	12,849		
<b>Retained earnings, end of year.....</b>	32,747	35,764	39,707

## C. Statement of financial condition

	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury.....	\$21,737	\$24,337	\$20,937
Cash on hand and in transit.....	201	351	200
Accounts receivable.....	2,838	2,688	2,889
Inventories.....	11,010	10,010	16,010
Total current assets.....	35,786	37,386	40,036
<b>Fixed assets:</b>			
Equipment.....	165	1,665	3,165
Less portion charged off as depreciation.....	9	92	249
Total fixed assets.....	156	1,573	2,916
<b>Total assets.....</b>	35,942	38,959	42,952

## C. Statement of financial condition—Continued

	1953 actual	1954 estimate	1955 estimate
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable.....	\$2,300	\$2,150	\$2,200
Accrued expenses.....	895	1,045	1,045
<b>Total liabilities.....</b>	3,195	3,195	3,245
<b>NET TRUST INVESTMENT</b>			
Retained earnings.....	32,747	35,764	39,707
<b>Total liabilities and net trust investment.....</b>	35,942	38,959	42,952

## SCHEDULE A-1. Accrued expenditures by objects

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	3	4	4
Average number of all employees.....	2	4	4
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$3,372	\$3,366	\$3,406
Average grade.....	GS-3.3	GS-3.3	GS-3.3
01 Personal services:			
Permanent positions.....	\$7,375	\$13,465	\$13,465
Regular pay in excess of 52-week base.....	28	52	52
Payment above basic rates.....	201		
Excess of annual leave earned over leave taken.....	151		
Total personal services.....	7,755	13,517	13,517
04 Communication services.....	53	100	100
06 Printing and reproduction.....	1	100	100
07 Other contractual services.....	6,592	5,000	5,006
08 Supplies and materials.....	20,272	13,000	24,000
09 Equipment.....	165	1,500	1,500
15 Taxes and assessments.....	120	183	183
<b>Total accrued expenditures.....</b>	34,958	33,400	44,400

## Consolidated Working Fund, General Services Administration (Trust Fund)

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$2,975		
Returned to other accounts.....	1,150		
Obligations incurred during the year.....	25		
<b>Total expenditures.....</b>	4,150		

## DEPARTMENT OF AGRICULTURE

## AGRICULTURAL MARKETING SERVICE

Expenses and Refunds, Inspection and Grading of Farm Products, Agricultural Marketing Service

Appropriated (est.) 1954, \$11,400,000 Estimate 1955, \$11,100,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$10,939,086	\$11,400,000	\$11,100,000
Prior year balance available.....	3,026,022	2,505,016	2,183,516
Total available for obligation.....	13,965,108	13,905,016	13,283,516
Balance available in subsequent year.....	-2,505,016	-2,183,516	-1,595,516
Obligations incurred.....	11,460,092	11,721,500	11,688,000

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
Inspection, grading, and certification of—			
(a) Fresh and processed fruits and vegetables.....	\$2,364,570	\$3,413,500	\$3,723,000

## DEPARTMENT OF AGRICULTURE—Continued

## AGRICULTURAL MARKETING SERVICE—Continued

## Expenses and Refunds, Inspection and Grading of Farm Products, Agricultural Marketing Service—Continued

## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
Inspection, grading, and certification of—Continued			
(b) Dairy and poultry products.....	\$4,195,388	\$3,995,200	\$4,079,200
(c) Rice, hay, beans, peas, seed, hops, and miscellaneous agricultural commodities.....	700,096	622,300	654,000
(d) Meats and wool.....	4,175,629	3,669,400	3,175,500
(e) Naval stores.....	24,409	21,100	21,200
(f) Cottonseed.....			35,100
Obligations incurred.....	11,460,092	11,721,500	11,688,000

## PROGRAM AND PERFORMANCE

An inspection and grading service for farm products is provided upon application of interested parties. This service is supported primarily by fees, and to a limited extent, by direct appropriations made to the Agricultural Marketing Service. This schedule reflects the amount of fees received and the payment of salaries and other necessary expenses (7 U. S. C. 91-99, 1621-1627).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	1,916	2,260	2,095
Full-time equivalent of all other positions.....	144	121	121
Average number of all employees.....	1,865	2,116	2,068
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,575	\$4,626	\$4,672
Average grade.....	GS-7.0	GS-7.1	GS-7.1
Ungraded positions: Average salary.....	\$3,421	\$3,438	\$3,438
01 Personal services:			
Permanent positions.....	\$8,248,910	\$9,204,923	\$9,159,455
Other positions.....	162,785	145,525	145,525
Regular pay in excess of 52-week base.....	28,915	35,557	34,790
Payment above basic rates.....	321,829	251,465	250,325
Total personal services.....	8,762,439	9,637,470	9,590,095
02 Travel.....	1,114,716	978,300	970,000
03 Transportation of things.....	49,149	53,200	53,500
04 Communication services.....	169,648	230,500	248,000
05 Rents and utility services.....	84,171	66,000	68,000
06 Printing and reproduction.....	38,112	90,000	91,000
07 Other contractual services.....	504,501	429,500	431,000
Services performed by other agencies.....	32,545	36,405	37,405
08 Supplies and materials.....	87,817	18,000	98,000
09 Equipment.....	49,791	58,000	58,500
11 Grants, subsidies, and contributions.....	584,156	300	500
13 Refunds, awards, and indemnities.....	82		
15 Taxes and assessments.....	43,162	43,825	42,000
Obligations incurred.....	11,460,092	11,721,500	11,688,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$719,047	\$781,942	\$863,242
Obligations incurred during the year.....	11,460,092	11,721,500	11,688,000
Deduct unliquidated obligations, end of year.....	12,179,139	12,503,442	12,551,242
Total expenditures.....	11,397,197	11,640,200	11,649,000

## AGRICULTURAL RESEARCH SERVICE

## Expenses, Feed and Attendants for Animals in Quarantine, Department of Agriculture

Appropriated (estimate) 1954, \$30,000 Estimate 1955, \$30,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$30,202	\$30,000	\$30,000
Prior year balance available.....	4,201	14,765	25,466
Available from subsequent year appropriation.....	399	400	400
Total available for obligation.....	34,802	45,165	55,866
Balance available in subsequent year.....	-14,765	-25,466	-36,166
Available in prior year.....	-237	-399	-400
Obligations incurred.....	19,800	19,300	19,300

## OBLIGATIONS BY ACTIVITIES

Expenses, feed and attendants for animals in quarantine—1953, \$19,800; 1954, \$19,300; 1955, \$19,300.

## PROGRAM AND PERFORMANCE

Expenses of providing feed and attendants for animals in quarantine are paid from fees advanced by importers (21 U. S. C. 102).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	3	2	2
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	2	3	3
Average salaries and grades:			
Crafts, protective, and custodial grades:			
Average salary.....	\$2,910	\$3,030	\$3,110
Average grade.....	CPC-4.0	CPC-4.0	CPC-4.0
01 Personal services:			
Permanent positions.....	\$7,575	\$6,071	\$6,208
Other positions.....	2,418	4,143	4,006
Regular pay in excess of 52-week base.....	23	24	24
Payment above basic rates.....	1,977	2,300	2,300
Total personal services.....	11,993	12,538	12,538
03 Transportation of things.....	14		
08 Supplies and materials.....	7,097	7,000	7,000
09 Equipment.....	1,108		
15 Taxes and assessments.....	98	160	160
Subtotal.....	20,310	19,698	19,698
Deduct charges for quarters and subsistence.....	510	398	398
Obligations incurred.....	19,800	19,300	19,300

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$1,198	\$1,059	\$800
Obligations incurred during the year.....	19,800	19,300	19,300
Deduct unliquidated obligations, end of year.....	20,998	20,359	20,100
Total expenditures.....	19,939	19,559	19,300

## Inspection of Animal Foods, Agricultural Research Service, Department of Agriculture

Appropriated (estimate) 1954, \$76,329 Estimate 1955, \$64,339

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$94,835	\$76,329	\$64,339
Prior year balance available.....	8,338	7,430	4,515
Available from subsequent year appropriation.....	20,390	10,000	10,000
Total available for obligation.....	123,563	93,759	78,854
Balance available in subsequent year.....	-7,430	-4,515	
Available in prior year.....	-20,393	-20,390	-10,000
Obligations incurred.....	95,740	68,854	68,854

## OBLIGATIONS BY ACTIVITIES

Inspection and certification of animal foods—1953, \$95,740; 1954, \$68,854; 1955, \$68,854.



## PROGRAM AND PERFORMANCE

Inspection and certification of animal foods is provided upon acceptance of an application by the manufacturer and payment of a fee (7 U. S. C. 1622h, 1624; 7 U. S. C. supp. V, 414).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	5	3	3
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	3	3	3
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,710	\$5,855	\$5,990
Average grade.....	GS-7.8	GS-8.0	GS-8.0
01 Personal services:			
Permanent positions.....	\$13,271	\$17,657	\$17,977
Other positions.....	211	922	922
Regular pay in excess of 52-week base.....	24	14	14
Payment above basic rates.....	95	76	76
Total personal services.....	13,601	18,669	18,989
02 Travel.....	75	65	65
04 Communication services.....	32	30	30
06 Printing and reproduction.....	64	50	50
07 Other contractual services: Services performed by other agencies.....	80,894	48,823	48,503
08 Supplies and materials.....	1,044	1,200	1,200
15 Taxes and assessments.....	30	17	17
Obligations incurred.....	95,740	68,854	68,854

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$8,231	\$12,251	\$10,105
Obligations incurred during the year.....	95,740	68,854	68,854
	103,971	81,105	78,959
Deduct unliquidated obligations, end of year.....	12,251	10,105	8,959
Total expenditures.....	91,720	71,000	70,000

## Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:  
 "United States dollars advanced from foreign governments, United States international educational exchange program, Department of State."

## FARMERS' HOME ADMINISTRATION

## State Rural Rehabilitation Funds, Farmers' Home Administration

## PROGRAM AND PERFORMANCE

These funds are being administered by the Department, through the Farmers' Home Administration, under agreements with individual States for use in carrying out the purposes of titles I and II of the Bankhead-Jones Farm Tenant Act, as amended. State rural rehabilitation corporations were originally established in 43 States through grants by the Federal Emergency Relief Administration. Subsequently, trust agreements were entered into between the individual State corporations and the Secretary for administration by the Secretary. Under Public Law 499 approved May 3, 1950 (40 U. S. C. 440-444), States were required to apply for their assets within a 3-year period which ended May 3, 1953. After the return of the assets, the States had the option of entering into new agreements with the Secretary for administration. As of June 30, 1953, agreements for administration had been completed in all States but Oregon in which case the assets were returned to the State without the negotiation of an agreement.

In States where new agreements have been executed, production and subsistence type loans are made at 5

percent interest. Also, farm ownership type loans are made from these funds, and insured under the regular Farmers' Home Administration insured loan program at 3 percent interest, plus a 1 percent insurance charge. Such loans are held only until they can be sold in blocks to private lenders. The entire assets of the 42 States which have signed new agreements are being administered with the exception of \$2,412,591 which was returned to and held by several States for use in rural rehabilitation.

## A. Statement of sources and application of funds

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Acquisition of assets:			
Loans made.....	\$12,910,791	\$8,500,000	\$7,800,000
Acquired security or collateral.....	3,938		
Land and structures.....	1,287		
Judgments.....	13,054	25,000	9,000
Expenses:			
Administrative expenses.....	1,155,158	870,000	700,000
Other expenses.....	1,616		
Charge-offs:			
Accounts receivable charged off.....	26,565		
Interest on loans receivable charged off.....	481,266	450,000	420,000
Interest on accounts receivable charged off.....	45		
Funds transferred to States.....	1,760,355		
<b>Total funds applied.....</b>	<b>16,354,075</b>	<b>9,845,000</b>	<b>8,929,000</b>
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Realization of assets:			
Loans repaid.....	9,303,421	7,550,000	7,000,000
Sale of acquired security or collateral.....	47,647	21,000	15,000
Sale of land and structures.....	4,923	30,000	10,000
Collections on judgments.....	18,922	20,000	15,000
Income:			
Interest on loans.....	1,457,345	1,175,000	1,100,000
Other interest income.....	3,279	12,000	10,000
Rent.....	25,857	20,000	15,000
Proceeds from sale of mineral interests.....	17,355		
Other income.....	3,845		
Decrease in selected working capital.....	167,610	446,383	346,000
Total provided by operations.....	11,050,184	9,274,383	8,511,000
<b>By financing: Decrease in Treasury cash.....</b>	<b>5,303,891</b>	<b>570,617</b>	<b>418,000</b>
<b>Total funds provided.....</b>	<b>16,354,075</b>	<b>9,845,000</b>	<b>8,929,000</b>

## EFFECT ON TRUST FUND EXPENDITURES

Funds applied to operations.....	\$16,354,075	\$9,845,000	\$8,929,000
Funds provided by operations.....	11,050,184	9,274,383	8,511,000
<b>Net effect on trust fund expenditures.....</b>	<b>5,303,891</b>	<b>570,617</b>	<b>418,000</b>

## B. Statement of income and expense

	1953 actual	1954 estimate	1955 estimate
<b>Income:</b>			
Interest on loans.....	\$1,457,345	\$1,175,000	\$1,100,000
Other interest income.....	3,279	12,000	10,000
Rent.....	25,857	20,000	15,000
Other income.....	3,845		
<b>Total income.....</b>	<b>1,490,326</b>	<b>1,207,000</b>	<b>1,125,000</b>
<b>Expenses:</b>			
Administrative expenses.....	1,155,158	870,000	700,000
Other expenses.....	1,616		
Charge-offs:			
Accounts receivable charged off.....	26,565		
Interest on loans receivable charged off.....	481,266	450,000	420,000
Interest on accounts receivable charged off.....	45		
Loans receivable charged off.....	1,023,383	850,000	700,000
Acquired security charged off.....	943		
Judgments charged off.....	11,079	10,000	9,000
Increase or decrease (-) in allowance for losses.....	2,096,205	-213,241	-217,200
<b>Total expenses.....</b>	<b>4,796,260</b>	<b>1,966,759</b>	<b>1,611,800</b>
<b>Net loss (-) from operations.....</b>	<b>-3,305,934</b>	<b>-759,759</b>	<b>-486,800</b>

## DEPARTMENT OF AGRICULTURE—Continued

## FARMERS' HOME ADMINISTRATION—Continued

## State Rural Rehabilitation Funds, Farmers' Home Administration—Continued

## B. Statement of income and expense—Continued

	1953 actual	1954 estimate	1955 estimate
<b>Nonoperating income or loss (—):</b>			
Proceeds from sales of mineral interests.....	\$17,335		
Proceeds from sale of assets.....	52,570	\$51,000	\$25,000
Book value of assets sold.....			
Acquired security or collateral.....	—35,750	—22,000	—17,000
Land and structures.....	—5,120	—30,000	—10,000
<b>Net loss for the year.....</b>	<b>—3,276,899</b>	<b>—760,759</b>	<b>—488,800</b>
<b>ANALYSIS OF DEFICIT</b>			
Deficit (—), beginning of year.....	—4,005,441	—5,320,258	—6,081,017
Adjustment of balance at beginning of year: Deficits closed to old trust agreements at signing of new agreements.....	—1,962,082		
<b>Deficit (—), end of year.....</b>	<b>—5,320,258</b>	<b>—6,081,017</b>	<b>—6,569,817</b>

## C. Statement of financial condition

	1953 actual	1954 estimate	1955 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury.....	\$3,877,796	\$3,307,179	\$2,889,179
Accounts receivable.....	258,469	239,469	221,469
Less allowance for losses.....	142,872	131,000	121,000
Net accounts receivable.....	115,597	108,469	100,469
Accrued interest on loans receivable.....	2,987,356	2,637,347	2,358,347
Less allowance for losses.....	1,717,609	1,504,000	1,290,000
Net accrued interest on loans receivable.....	1,269,747	1,133,347	1,068,347
Accrued interest on accounts receivable.....	3,608	4,608	5,608
Less allowance for losses.....	2,708	3,400	4,200
Net accrued interest on accounts receivable.....	900	1,208	1,408
Undistributed charges.....	413,582	300,000	200,000
<b>Total current assets.....</b>	<b>5,677,622</b>	<b>4,850,203</b>	<b>4,259,403</b>
<b>Loans receivable<sup>1</sup>.....</b>	<b>36,280,400</b>	<b>36,335,400</b>	<b>36,401,400</b>
Less allowance for losses.....	6,542,951	6,540,000	6,550,000
Net loans receivable.....	29,737,449	29,795,400	29,851,400
<b>Acquired security or collateral.....</b>	<b>16,358</b>	<b>14,358</b>	<b>22,358</b>
<b>Land and structures: Real estate.....</b>	<b>81,023</b>	<b>51,023</b>	<b>41,023</b>
<b>Other assets:</b>			
Judgments.....	162,002	182,002	176,002
Assets on loan to other agencies.....	877	877	877
<b>Total other assets.....</b>	<b>162,879</b>	<b>182,879</b>	<b>176,879</b>
Less allowance for losses.....	122,378	136,877	132,877
Net other assets.....	40,501	46,002	44,002
<b>Total assets.....</b>	<b>35,552,953</b>	<b>34,756,986</b>	<b>34,218,186</b>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable.....	85,782	70,000	40,000
Accrued expenses.....	69,417	50,000	30,000
Undistributed credits.....	9		
<b>Total liabilities.....</b>	<b>155,208</b>	<b>120,000</b>	<b>70,000</b>
<b>INVESTMENT OF STATES</b>			
Assets transferred under trust agreement (net).....	40,067,705	40,067,705	40,067,705
Donated assets.....	650,298	650,298	650,298
Deficit (—).....	—5,320,258	—6,081,017	—6,569,817
<b>Net investment of States.....</b>	<b>35,397,745</b>	<b>34,636,986</b>	<b>34,148,186</b>
<b>Net liabilities and investment of States.....</b>	<b>35,552,953</b>	<b>34,756,986</b>	<b>34,218,186</b>

<sup>1</sup> Undisbursed loan commitments: 1953, \$518,813; 1954, \$500,000; 1955, \$500,000.

## SCHEDULE A-1. Accrued expenditures by objects

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	283	194	143
Full-time equivalent of all other positions.....	2	2	2
Average number of all employees.....	244	168	142
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,073	\$4,182	\$4,162
Average grade.....	GS-4.9	GS-5.2	GS-5.4
<b>01 Personal services:</b>			
Permanent positions.....	\$998,861	\$698,000	\$584,000
Other positions.....	499	6,350	6,400
Regular pay in excess of 52-week base.....	3,118	2,685	2,100
<b>Total personal services.....</b>	<b>1,002,478</b>	<b>707,035</b>	<b>592,500</b>
<b>02 Travel.....</b>	<b>75,248</b>	<b>79,465</b>	<b>61,000</b>
<b>07 Other contractual services.....</b>	<b>2,632</b>	<b>4,000</b>	<b>3,000</b>
Services performed by other agencies.....	73,844	79,000	43,000
15 Taxes and assessments.....	956	500	500
16 Investments and loans.....	12,910,791	8,500,000	7,800,000
Undistributed charges.....	2,288,126	475,000	429,000
<b>Total accrued expenditures.....</b>	<b>16,354,075</b>	<b>9,845,000</b>	<b>8,929,000</b>

## FOREST SERVICE

## Construction of Forest Access Roads to Standing Timber (Advance From Reconstruction Finance Corporation)

## AMOUNTS AVAILABLE FOR OBLIGATION

Prior year balance available (obligations incurred)—1953, \$10,728.

## OBLIGATIONS BY ACTIVITIES

Returned to Reconstruction Finance Corporation—1953, \$10,728.

## OBLIGATIONS BY OBJECTS

13 Refunds, awards, and indemnities: Returned to Reconstruction Finance Corporation—1953, \$10,728.

## ANALYSIS OF EXPENDITURES

Obligations incurred (total expenditures)—1953, \$10,728.

## Cooperative Work, Forest Service

Appropriated (est.) 1954, \$8,500,000 Estimate 1955, \$8,500,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$8,347,252	\$8,500,000	\$8,500,000
Prior year balance available.....	10,293,477	11,480,762	12,480,762
Recovery of prior year obligations.....	498		
Reimbursements from non-Federal sources.....	62		
Reimbursements from other accounts.....	2,179		
<b>Total available for obligation.....</b>	<b>18,643,468</b>	<b>19,980,762</b>	<b>20,980,762</b>
Balance available in subsequent year.....	—11,480,762	—12,480,762	—12,480,762
<b>Obligations incurred.....</b>	<b>7,162,706</b>	<b>7,500,000</b>	<b>8,500,000</b>

NOTE.—Reimbursements from non-Federal sources above are for the costs of suppressing forest fires on State and private forest lands adjacent to or intermingled with national forests, under terms of written cooperative agreements (16 U. S. C. 572), and from proceeds of sale of personal property (40 U. S. C. 581 (c)).

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
<b>Direct Obligations</b>			
1. Construction and maintenance of roads and trails.....	\$502,144	\$550,000	\$500,000
2. Construction and maintenance of other improvements.....	343,305	400,000	300,000
3. Protection of national forests and adjacent private land.....	2,271,955	2,100,000	2,000,000
4. Sale-area betterment and scaling.....	3,445,799	3,860,000	5,120,000
5. Research investigations.....	403,971	400,000	400,000
6. Administration.....	105,495	110,000	110,000
7. Reforestation.....	87,796	80,000	70,000
8. Obligations under reimbursements from non-Federal sources.....	62		
<b>Total direct obligations.....</b>	<b>7,160,527</b>	<b>7,500,000</b>	<b>8,500,000</b>



## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
3. Protection of national forests and adjacent private land	\$390		
5. Research investigations	1,789		
Total obligations payable out of reimbursements from other accounts	2,179		
Obligations incurred	7,162,706	\$7,500,000	\$8,500,000

## PROGRAM AND PERFORMANCE

Advances, including deposits from purchasers of timber, are received and used for cooperative work in forest investigations, protection and improvement of the national forests, and protection, reforestation, and administration of private lands. Except for deposits by purchasers of national forest timber (16 U. S. C. 576b), this fund is also available for refunds to the contributors of amounts in excess of their share of the costs (16 U. S. C. 498, 572, 572a, 576b, 581; 31 U. S. C. 725s).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
<b>FOREST SERVICE</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions	439	476	538
Full-time equivalent of all other positions	1,039	1,060	1,206
Average number of all employees	1,597	1,677	1,901
Average salaries and grades:			
General schedule grades:			
Average salary	\$3,579	\$3,666	\$3,670
Average grade	GS-4.5	GS-4.6	GS-4.6
Crafts, protective, and custodial grades:			
Average salary	\$3,611	\$3,687	\$3,654
Average grade	CPC-6.1	CPC-6.2	CPC-6.4
Ungraded positions: Average salary	\$3,139	\$3,313	\$3,312
Personal service obligations:			
Permanent positions	\$2,026,676	\$2,292,526	\$2,583,606
Other positions	2,664,328	2,701,632	3,076,544
Regular pay in excess of 52-week base	7,795	8,820	10,000
Payment above basic rates	81,279	54,691	55,850
Other payments for personal services	4,975		
Total personal service obligations	4,785,053	5,057,669	5,726,000
<i>Direct Obligations</i>			
01 Personal services	4,783,053	5,057,669	5,726,000
02 Travel	45,558	54,395	61,500
03 Transportation of things	29,947	31,225	35,000
04 Communication services	19,618	29,752	33,672
05 Rents and utility services	41,462	46,900	53,000
06 Printing and reproduction	4,090	6,645	7,500
07 Other contractual services	478,425	478,600	542,000
Services performed by other agencies	19,198	15,750	18,000
08 Supplies and materials	1,129,452	1,199,812	1,365,328
09 Equipment	85,655	93,425	106,000
10 Lands and structures	21,349	9,780	11,000
13 Refunds, awards, and indemnities	496,094	468,550	530,000
15 Taxes and assessments	45,464	46,000	50,000
Subtotal	7,199,365	7,538,503	8,539,000
Deduct charges for quarters and subsistence	40,877	39,000	39,000
Total direct obligations	7,158,488	7,499,503	8,500,000
<i>Obligations Payable Out of Reimbursement From Other Accounts</i>			
01 Personal services	2,000		
02 Travel	54		
08 Supplies and materials	125		
Total obligations payable out of reimbursements from other accounts	2,179		
Obligations incurred	7,160,667	7,499,503	8,500,000
<b>ALLOCATION TO DEPARTMENT OF COMMERCE</b>			
01 Personal services: Other positions (obligations incurred)	\$498	\$38	

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
<b>ALLOCATION TO DEPARTMENT OF THE INTERIOR</b>			
Average number of all positions	1		
01 Personal services: Other positions	\$1,259		
08 Supplies and materials	282	\$459	
Obligations incurred	1,541	459	
<b>SUMMARY</b>			
<i>Summary of Personal Services</i>			
Total number of permanent positions	439	476	538
Full-time equivalent of all other positions	1,039	1,060	1,206
Average number of all employees	1,597	1,677	1,901
Average salaries and grades:			
General schedule grades:			
Average salary	\$3,579	\$3,666	\$3,670
Average grade	GS-4.5	GS-4.6	GS-4.6
Crafts, protective, and custodial grades:			
Average salary	\$3,611	\$3,687	\$3,654
Average grade	CPC-6.1	CPC-6.2	CPC-6.4
Ungraded positions: Average salary	\$3,139	\$3,313	\$3,312
Personal service obligations:			
Permanent positions	\$2,026,676	\$2,292,526	\$2,583,606
Other positions	2,666,085	2,701,670	3,076,544
Regular pay in excess of 52-week base	7,795	8,820	10,000
Payment above basic rates	81,279	54,691	55,850
Other payments for personal services	4,975		
Total personal service obligations	4,786,810	5,057,707	5,726,000
<i>Direct Obligations</i>			
01 Personal services	4,784,810	5,057,707	5,726,000
02 Travel	45,558	54,395	61,500
03 Transportation of things	29,947	31,225	35,000
04 Communication services	19,618	29,752	33,672
05 Rents and utility services	41,462	46,900	53,000
06 Printing and reproduction	4,090	6,645	7,500
07 Other contractual services	478,425	478,600	542,000
Services performed by other agencies	19,198	15,750	18,000
08 Supplies and materials	1,129,734	1,200,271	1,365,328
09 Equipment	85,655	93,425	106,000
10 Lands and structures	21,349	9,780	11,000
13 Refunds, awards, and indemnities	496,094	468,550	530,000
15 Taxes and assessments	45,464	46,000	50,000
Subtotal	7,201,404	7,539,000	8,539,000
Deduct charges for quarters and subsistence	40,877	39,000	39,000
Total direct obligations	7,160,527	7,500,000	8,500,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services	2,000		
02 Travel	54		
08 Supplies and materials	125		
Total obligations payable out of reimbursements from other accounts	2,179		
Obligations incurred	7,162,706	7,500,000	8,500,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$941,175	\$1,002,503	\$1,089,503
Obligations incurred during the year	7,162,706	7,500,000	8,500,000
	8,103,881	8,502,503	9,589,503
Deduct:			
Adjustment in obligations of prior years	498		
Reimbursements	2,241		
Unliquidated obligations, end of year	1,002,503	1,089,503	1,213,503
Total expenditures	7,098,639	7,413,000	8,376,000

## Forest Service, State Rural Rehabilitation Corporation Funds

## A. Statement of sources and application of funds

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
To operations:			
Expenses: Operation and maintenance	\$421		
Adjustment in prior year income	304		
Increase in selected working capital items	629		
Total funds applied	1,354		

**DEPARTMENT OF AGRICULTURE—Continued****FOREST SERVICE—Continued***Forest Service, State Rural Rehabilitation Corporation Funds—Con.***A. Statement of sources and application of funds—Continued**

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS PROVIDED</b>			
By financing: Decrease in Treasury cash (total funds provided).....	\$1,354		

**EFFECT ON TRUST EXPENDITURES**

Funds applied to operations.....	\$1,354		
Funds provided by operations.....			
<b>Net effect on trust expenditures.....</b>	<b>1,354</b>		

**B. Statement of income and expense**

	1953 actual	1954 estimate	1955 estimate
<b>Expenses: Operation and maintenance (net loss (—) for the year).....</b>	<b>—\$421</b>		
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year: New Mexico Rural Rehabilitation Corporation.....	725		
Adjustment of prior year income.....	—304		
<b>Retained earnings, end of year.....</b>			

**SCHEDULE A-1. Accrued expenditures by objects**

Object classification	1953 actual	1954 estimate	1955 estimate
01 Personal services: Positions other than permanent.....	\$418		
15 Taxes and assessments.....	3		
<b>Total accrued expenditures.....</b>	<b>421</b>		

**SOIL CONSERVATION SERVICE***Operation and Maintenance, Water Distribution Systems, Water Conservation and Utilization Projects***A. Statement of sources and application of funds**

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
To operations:			
Expenses: Operation and maintenance.....	\$7,216		
Transfer to Farmers' Home Administration, State Rural Rehabilitation Corporation Fund.....	12,101		
<b>Total funds applied.....</b>	<b>19,317</b>		
<b>FUNDS PROVIDED</b>			
By operations: Income: Sale of water.....	407		
Decrease in selected working capital.....	4,157		
<b>Total provided by operations.....</b>	<b>4,564</b>		
By financing: Decrease in Treasury cash.....	14,753		
<b>Total funds provided.....</b>	<b>19,317</b>		

**EFFECT ON TRUST EXPENDITURES**

Funds applied to operations.....	19,317		
Funds provided by operations.....	4,564		
<b>Net effect on trust expenditures.....</b>	<b>14,753</b>		

**B. Statement of income and expense**

	1953 actual	1954 estimate	1955 estimate
<b>Income: Sale of water.....</b>	<b>\$407</b>		
<b>Expenses: Operation and maintenance.....</b>	<b>7,216</b>		
<b>Net loss (—) for the year.....</b>	<b>—6,809</b>		
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	18,910		
Less transfer to Farmers' Home Administration, State Rural Rehabilitation Corporation fund.....	12,101		
<b>Retained earnings, end of year.....</b>			

**SCHEDULE A-1. Accrued expenditures by objects**

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	1		
Average number of all employees.....	1		
Average salaries and grades:			
Crafts, protective, and custodial grades:			
Average salary.....	\$4,035		
Average grade.....	CPC-7.0		
01 Personal services:			
Permanent positions.....	\$3,333		
Other positions.....	671		
Payment above basic rates.....	287		
Total personal services.....	4,291		
02 Travel.....	403		
03 Transportation of things.....	1		
04 Communication services.....	1		
07 Other contractual services.....	2,710		
08 Supplies and materials.....	136		
13 Refunds, awards, and indemnities.....	12,101		
15 Taxes and assessments.....	2		
Subtotal.....	19,645		
Deduct charges for quarters and subsistence.....	328		
<b>Total accrued expenditures.....</b>	<b>19,317</b>		

*Payments in Lieu of Taxes and Operation and Maintenance Costs, Water Conservation and Utilization Projects***PROGRAM AND PERFORMANCE**

Under authority of the Bankhead-Black Act, receipts from leasing of project lands owned by the United States are used for payments in lieu of taxes to local Government taxing units and for some operation and maintenance costs of the resettlement features of the projects, until land development for irrigation is completed and farm units are returned to private ownership. Funds not needed for expenses or payments in lieu of taxes are paid into miscellaneous receipts of the Treasury (40 U. S. C. 431-434).

**A. Statement of sources and application of funds**

	1953 actual	1954 estimate	1955 estimate
<b>FUNDS APPLIED</b>			
To operations: Expenses:			
Operation and maintenance.....	\$74		
Payments in lieu of taxes.....	1,866	\$2,580	\$2,450
Payment of earnings to Treasury.....	99,728	30,000	
Payment of earnings to State Rural Rehabilitation Corporations.....	4,780		
Increase in selected working capital.....	4,004	910	488
<b>Total applied to operations.....</b>	<b>110,452</b>	<b>33,490</b>	<b>2,938</b>
To financing: Increase in Treasury cash.....			2,050
<b>Total funds applied.....</b>	<b>110,452</b>	<b>33,490</b>	<b>4,988</b>
<b>FUNDS PROVIDED</b>			
By operations: Income: Land leasing.....	17,176	9,451	4,988
By financing: Decrease in Treasury cash.....	93,276	24,039	
<b>Total funds provided.....</b>	<b>110,452</b>	<b>33,490</b>	<b>4,988</b>



## A. Statement of sources and application of funds—Continued

## EFFECT ON TRUST FUND EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Funds applied to operations.....	\$110,452	\$33,490	\$2,938
Funds provided by operations.....	17,176	9,451	4,988
Net effect on trust fund expenditures.....	93,276	24,039	-2,050

## B. Statement of income and expense

	1953 actual	1954 estimate	1955 estimate
Income: Land leasing.....	\$17,176	\$9,451	\$4,988
Expenses:			
Operation and maintenance.....	74		
Payments in lieu of taxes.....	1,866	2,580	2,450
Total expenses.....	1,940	2,580	2,450
Net income for the year.....	15,236	6,871	2,538
ANALYSIS OF RETAINED EARNINGS			
Retained earnings, beginning of year:			
Estimated State Rural Rehabilitation Corporations' share.....	2,936		
Estimated U. S. Government share.....	144,744	58,408	35,279
Less:			
Payment of earnings to Treasury.....	99,728	30,000	
Payment of earnings to State Rural Rehabilitation Corporations.....	4,780		
Retained earnings, end of year.....	58,408	35,279	37,817

## C. Statement of financial condition

	1953 actual	1954 estimate	1955 estimate
ASSETS			
Current assets:			
Cash with Treasury.....	\$60,306	\$36,267	\$38,317
Accounts receivable.....	11	12	
Total assets.....	60,317	36,279	38,317
LIABILITIES			
Current liabilities: Accounts payable.....	1,909	1,000	500
NET TRUST INVESTMENT			
Retained earnings: Estimated U. S. Government share.....	58,408	35,279	37,817
Total liabilities and net trust investment.....	60,317	36,279	38,317

## SCHEDULE A-1. Accrued expenditures by objects

Object classification	1953 actual	1954 estimate	1955 estimate
07 Other contractual services.....	\$1,935		
08 Supplies and materials.....	4		
11 Grants, subsidies, and contributions.....		\$2,580	\$2,450
13 Refunds, awards, and indemnities.....	104,509	30,000	
Total accrued expenditures.....	106,448	32,580	2,450

Technical Services and Other Assistance, Agricultural Conservation Program, Soil Conservation Service, Department of Agriculture  
Appropriated (estimate) 1954, \$5,000,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$4,725,515	\$5,000,000	
Prior year balance available.....	1,083,191	2,689,734	\$1,547,734
Total available for obligation.....	5,808,706	7,689,734	1,547,734
Balance available in subsequent year.....	-2,689,734	-1,547,734	
Obligations incurred.....	3,118,972	6,142,000	1,547,734

## OBLIGATIONS BY ACTIVITIES

Providing technical and other assistance to farmers and ranchers in participating counties pursuant to agreements executed with individual Agricultural Marketing Service State and county committees—1953, \$3,118,972; 1954, \$6,142,000; 1955, \$1,547,734.

## PROGRAM AND PERFORMANCE

On the recommendation of individual county committees, amounts are allotted to the Soil Conservation Service from funds appropriated under "Agricultural conservation program service" for carrying out conservation practices to provide farmers and ranchers in participating counties with technical and other assistance in the planning and installation of conservation practices. The assistance is over and above that which would be furnished under the regular Soil Conservation Service program to soil conservation districts (Department of Agriculture Appropriation Act, 1954).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	58	82	24
Full-time equivalent of all other positions.....	334	750	164
Average number of all employees.....	671	1,420	327
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$3,592	\$3,625	\$3,625
Average grade.....	GS-5.1	GS-5.1	GS-5.1
01 Personal services:			
Permanent positions.....	\$1,381,610	\$2,729,000	\$804,100
Other positions.....	980,842	2,244,000	498,600
Regular pay in excess of 52-week base.....	4,438	1,200	300
Payment above basic rates.....	2,618	1,800	
Total personal services.....	2,369,508	4,976,000	1,303,000
02 Travel.....	48,974	145,000	27,500
04 Communication services.....	3		
07 Other contractual services: Services performed by other agencies.....	385,471	740,000	207,734
08 Supplies and materials.....	2,311		
09 Equipment.....	578		
13 Refunds, awards, and indemnities.....	297,634	246,000	1,000
15 Taxes and assessments.....	14,493	35,000	8,500
Obligations incurred.....	3,118,972	6,142,000	1,547,734

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$120,026	\$221,544	\$572,544
Obligations incurred during the year.....	3,118,972	6,142,000	1,547,734
Deduct unliquidated obligations, end of year.....	3,238,998	6,363,544	2,120,278
Balance available in subsequent year.....	221,544	572,544	193,278
Total expenditures.....	3,017,454	5,791,000	1,927,000

## MISCELLANEOUS

Miscellaneous Contributed Funds, Department of Agriculture

Appropriated (estimate) 1954, \$874,624 Estimate 1955, \$850,950

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$1,118,400	\$874,624	\$850,950
Prior year balance available.....	285,168	218,769	142,399
Total available for obligation.....	1,403,568	1,093,393	993,349
Balance available in subsequent year.....	-218,769	-142,399	-135,399
Obligations incurred.....	1,184,799	950,994	857,950

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
1. For flood-control works of improvement on the Los Angeles River watershed.....	\$151,926	\$330,000	\$300,000



## DEPARTMENT OF AGRICULTURE—Continued

## MISCELLANEOUS—Continued

## Miscellaneous Contributed Funds, Department of Agriculture—Con.

## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
2. For making land-capability surveys and preparing land-capability maps of McCracken County, Ky.	\$885		
3. For cooperation with the Central and Southern Florida Flood Control District on water control in the Everglades area.	11,573	\$12,000	\$12,000
4. For cooperation with the Central and Southern Florida Agricultural Experiment Station on a soil survey in the district north of Okeechobee.	6,615		
5. For cooperation with the San Antonio River Canal and Conservancy District on a survey of the San Antonio River watershed.	24,512		
6. For cooperation with Tillamook County, Oreg., for aerial photography work to be furnished by the Soil Conservation Service.	2,600		
7. For cooperation with the Flying Farmers Foundation on a program of investigation and research covering eradication or control of noxious brush and trees.	276		
8. For cooperation with the Hickahala Creek Drainage District in carrying out works of improvement in the aid of flood control in the Yazoo River Basin.	378		
9. For cooperation with the Weber Basin Water Conservancy District in conducting snow surveys and water supply forecasts in the Weber River Basin.	2,035	105	
10. For cooperation with the Tallahatchie Drainage District and the Tallahatchie River Conservation District in connection with works of improvement for runoff and water-flow retardation in the Little Tallahatchie River watershed.	193,976	21,024	
11. For cooperation with the Gem County Board of Commissioners in connection with drainage investigations in the Payette Valley, Gem County, Idaho.	1,000		
12. For cooperation with the Price Water Co. to repair flood damage to the Price Canal.	1,746	544	
13. For cooperation with the Firebaugh Soil Conservation District, Calif., on erosion control and soil conservation work.	1,176	324	
14. For cooperation with the American Fork Irrigation Co. in an emergency flood-restoration program.	1,375		
15. For cooperation with the Cottonwood Creek Consolidated Irrigation Co. in an emergency flood-restoration program.	4,950		
16. For cooperation with the Gunnison City Canal Co. in an emergency flood-restoration program.	2,485		
17. For cooperation with the Huntington-Cleveland Irrigation Co. in an emergency flood-restoration program.	7,396		
18. For cooperation with the North Lakeshore Drainage District in an emergency flood-restoration program.	480		
19. For cooperation with the Providence-Millville Irrigation Co. in an emergency flood-restoration program.	888		
20. For cooperation with the Carbon Canal Co. in an emergency flood-restoration program.	852		
21. For cooperation with the Hyrum Irrigation Co. in an emergency flood-restoration program.	3,700		
22. For cooperation with the Dry Gulch Irrigation Co. in an emergency flood-restoration program.	6,500		
23. For cooperation with the Highland and Newfield Canal Cos. in an emergency flood-restoration program.	3,096		
24. For cooperation with the Emery Canal and Reservoir Co. in an emergency flood-restoration program.	1,676		
25. For cooperation with the Leishman Group, Wellsville, Utah, in an emergency flood-restoration program.	885		
26. For cooperation with the Vernon Law Group, Avon, Utah, in an emergency flood-restoration program.	400		
27. For cooperation with the Coalville City Ditch Co. in an emergency flood-restoration program.	394		

## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
28. For cooperation with the Fairview Birch Creek Irrigation Co. in an emergency flood-restoration program.	\$745		
29. For cooperation with the Goshen Irrigation & Canal Co. in an emergency flood-restoration program.	1,520		
30. For cooperation with the Fort Field Irrigation Co. in an emergency flood-restoration program.	875		
31. For cooperation with the Birch Creek Mt. Pleasant Irrigation Co. in an emergency flood-restoration program.	1,100		
32. For cooperation with the Greenriver Canal Co. in an emergency flood-restoration program.	3,289		
33. For cooperation with the Twin Creek Irrigation Co. in an emergency flood-restoration program.	500		
34. For cooperation with the Mantl Irrigation Co. in an emergency flood-restoration program.	806		
35. For cooperation with Levi-McIntosh-Bridges, et al., in an emergency flood-restoration program.	910		
36. For cooperation with the Weber Canal Co. in an emergency flood-restoration program.	156		
37. For cooperation with the Pleasant Creek Irrigation Co. in an emergency flood-restoration program.	2,995		
38. For cooperation with the Lower Clover Irrigation Co. in an emergency flood-restoration program.	255		
39. For cooperation with the Little Dry Irrigation Co. in an emergency flood-restoration program.	1,350		
40. For cooperation with Elliott R. Killpack and Lcalen Collard in an emergency flood-restoration program.	359		
41. For cooperation with the Sanpitch River Drainage District in an emergency flood-restoration program.	1,359		
42. For cooperation with Raleigh, Kenneth, and Delmore Ivie in an emergency flood-restoration program.	800		
43. For cooperation with the Rock Point Canal & Irrigation Co. in an emergency flood-restoration program.	5,200		
44. For cooperation with the Ferron Reservoir Co. in an emergency flood-restoration program.	5,500		
45. For cooperation with Reuben Brasher in an emergency flood-restoration program.	150		
46. For cooperation with the South Morgan Water Ditch Co. in an emergency restoration program.	634		
47. For cooperation with the Lower Wellsville Group (H. H. Bankhead, leader) in an emergency flood-restoration program.	1,442		
48. For cooperation with Ray William Guyman in an emergency flood-restoration program.	27		
49. For cooperation with Ralph Grange et al., in an emergency flood-restoration program.	58		
50. For cooperation with S. R. Voorhees, Lewis Larson, Leland Larson, Don Lewis Larson in an emergency flood-restoration program.		\$500	
51. For cooperation with the Bonneville Irrigation District in an emergency flood-restoration program.		45	
52. For cooperation with the Rock Dam Irrigation Co. in an emergency flood-restoration program.		600	
53. For cooperation with F. Dwight Malmgren in an emergency flood-restoration program.		80	
54. For cooperation with Columbia County in preparing and making available certain aerial photographic material.		3,250	
55. For cooperation with Clatsop County in preparing and making available certain aerial photographic material.		2,350	
56. Cooperative study of agricultural financing.	3,190	7,567	\$7,500
57. Cooperation with the Hop Control Board, Salem, Oreg.	1,201		
58. Cooperation with the Oregon Wheat Commission.	503	671	650
59. Cooperative research on fruits and fruit products.	35,807	41,590	41,600
60. Cooperation with the Social Science Research Council in preparing a monograph on American agriculture.		5,000	5,000
61. Cooperation with National Aluminate Corp. on research and tests of chemical materials used to control weeds, Federal Experiment Station, Puerto Rico.	1,329	1,312	1,300



## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
62. Comparison of fuels for home cooking, refrigeration, and water heating (National Manufacturing Association).....	\$2,243	\$2,930	-----
63. Cooperative work on blister-rust control and barberry eradication; inspection and clearance of flower bulbs from the Netherlands to the United States; research on insecticides; study of State and Federal laws relating to pink bollworm of cotton; and expanding and intensifying research designed to control the pink bollworm.....	315,130	275,000	\$275,000
64. Aerial survey and preparation of photographs and charts.....	239,697	125,000	125,000
65. Cooperative research with various contributors on the marketing of fruits and fruit products.....	11,750	11,750	11,750
66. For contribution toward cooperative work with land-grant colleges on appropriate in-service training activities through summer-session courses for extension workers.....	1,976	2,000	2,000
67. For contribution toward the services of a coordinator and for a cooperative study to evaluate progress and effectiveness of the international farm-youth-exchange program.....	9,251	14,848	-----
68. For contribution toward the services of an educationalist to plan, organize and conduct special phases of the educational program of the international farm-youth-exchange program.....	4,837	3,904	-----
69. Cooperative participation with Tobacco Associates, Inc., in a tobacco survey in foreign areas.....	5,000	-----	-----
70. Cooperation with States on production and distribution of motion-pictures and exhibits.....	6,136	10,000	7,500
71. Improvement and management of turf grasses and control of weeds by chemical treatment.....	3,312	3,500	3,500
72. Production of parent or foundation cottonseed to meet the 1-variety program in California.....	8,656	9,450	9,450
73. Salt-meal feeding investigations.....	7,000	7,000	-----
74. Brush-control and range-improvement investigations.....	4,500	-----	-----
75. Research into varieties of wheat resistant to stem rust.....	4,015	-----	-----
76. Maintenance of breeding stock collection of sugarcane varieties, Summit, C. Z.....	3,037	80	-----
77. Research relating to sugarcane varieties adapted to soil and climatic conditions in Puerto Rico.....	10,122	12,500	12,500
78. Research to develop disease-resistant varieties of tobacco.....	3,000	3,000	3,000
79. Sugar-beet breeding investigations.....	6,500	6,500	6,500
80. Research on the breeding, production, and improvement of cotton and other plants.....	788	2,100	2,100
81. Cytological investigations on sugarcane.....	-----	6,000	7,000
82. Spinach, onion, and potato breeding and disease investigations.....	7,537	7,500	7,500
83. Investigations on the effect of insecticides and fungicides on crop plants.....	4,289	4,500	4,500
84. Comparison of methods for accelerated tests of wood decay.....	5,332	5,800	5,800
85. For carrying out a study of cultivated cucurbitaceae.....	193	807	-----
86. Study of biological problems relating to disease control in forest nurseries.....	-----	3,800	2,800
87. Research on phytotoxicity of insecticides and fungicides.....	-----	784	-----
88. Investigation and research covering eradication or control of noxious brush and trees in cooperation with the Flying Farmers Foundation, Inc.....	964	1,500	1,500
89. Research relating to plant nutrients, organic material, moisture and salinity relationships in soils.....	2,440	-----	-----
90. Soil and fertilizer research relating to sugar beet production.....	142	1,500	1,500
91. Cooperative soil survey work with central and southern Florida flood control district.....	7,653	-----	-----
92. Corrosion studies with pesticides on application equipment.....	2,761	2,279	-----
93. Returned to donor.....	694	-----	-----
Obligations incurred.....	1,184,799	950,994	857,950

## PROGRAM AND PERFORMANCE

Miscellaneous contributed funds received by the Department from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	25	29	24
Full-time equivalent of all other positions.....	23	28	28
Average number of all employees.....	47	54	50
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,330	\$4,873	\$4,760
Average grade.....	GS-6.1	GS-7.0	GS-6.7
Crafts, protective, and custodial grades:			
Average salary.....	\$2,933	\$3,230	-----
Average grade.....	CPC-3.3	CPC-4.0	-----
Ungraded positions: Average salary.....	\$2,708	\$3,517	\$3,515
01 Personal services:			
Permanent positions.....	\$107,246	\$113,479	\$92,259
Other positions.....	121,874	108,354	107,569
Regular pay in excess of 52-week base.....	312	318	255
Payment above basic rates.....	22,326	16,567	16,567
Total personal services.....	251,758	238,718	216,650
02 Travel.....	43,335	32,770	28,600
03 Transportation of things.....	4,450	2,580	1,900
04 Communication services.....	1,514	1,600	1,200
05 Rents and utility services.....	1,235	1,050	900
06 Printing and reproduction.....	728	3,465	300
07 Other contractual services.....	805,076	627,566	568,750
Services performed by other agencies.....	12,869	17,300	14,500
08 Supplies and materials.....	43,653	37,450	36,900
09 Equipment.....	1,953	814	700
13 Refunds, awards, and indemnities.....	28,622	210	-----
Returned to donor.....	694	-----	-----
15 Taxes and assessments.....	2,857	2,131	2,210
Subtotal.....	1,198,744	965,654	872,610
Deduct charges for quarters and subsistence.....	13,945	14,660	14,660
Obligations incurred.....	1,184,799	950,994	857,950

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year.....	\$692,743	\$810,938	\$713,432
Obligations incurred during the year.....	1,184,799	950,994	857,950
	1,877,542	1,761,932	1,571,382
Deduct unliquidated obligations, end of year.....	810,938	713,432	644,932
Total expenditures.....	1,066,604	1,048,500	926,450

Technical Assistance, United States Dollars Advanced From Foreign Governments, Agriculture

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate.....	\$3,000	-----	-----
Prior year balance available.....	-----	\$1,385	-----
Recovery of prior year obligations.....	764	-----	-----
Total available for obligation.....	3,764	1,385	-----
Balance available in subsequent year.....	-1,385	-----	-----
Obligations incurred.....	2,379	1,385	-----

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
1. Analysis of soil and water samples for other countries.....	\$1,615	\$1,385	-----
2. Returned to donor.....	764	-----	-----
Obligations incurred.....	2,379	1,385	-----

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
07 Other contractual services: Services performed by other agencies.....	\$1,615	\$1,385	-----
13 Refunds, awards, and indemnities: Returned to donor.....	764	-----	-----
Obligations incurred.....	2,379	1,385	-----

## DEPARTMENT OF AGRICULTURE—Continued

## MISCELLANEOUS—Continued

*Technical Assistance, United States Dollars Advanced From Foreign Governments, Agriculture—Continued*

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$2,467		
Obligations incurred during the year	2,379	\$1,385	
	4,846	1,385	
Deduct adjustment in obligations of prior years	764		
Total expenditures	4,082	1,385	

*Consolidated Working Fund, Department of Agriculture (Trust Fund)*

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$15,719	\$12,826	\$16,826
Returned to other accounts	89		
Obligations incurred during the year	52,574	73,500	
	68,382	86,326	16,826
Deduct:			
Advances received	65,000	49,500	
Unliquidated obligations, end of year	12,826	16,826	
Total expenditures	-9,444	20,000	16,826

## DEPARTMENT OF COMMERCE

## OFFICE OF THE SECRETARY

*Expenses, Transcripts of Studies, Tables, and Other Records, Office of Secretary of Commerce*

Appropriated (estimate) 1954, \$70,000 Estimate 1955, \$70,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate	\$82,690	\$70,000	\$70,000
Prior year balance available	25,441	48,268	23,268
Reimbursements from other accounts	1,787		
Total available for obligation	109,918	118,268	93,268
Balance available in subsequent year	-48,268	-23,268	-33,268
Unobligated balance, covered into Treasury as miscellaneous receipts		-35,000	
Obligations incurred	61,650	60,000	60,000

## OBLIGATIONS BY ACTIVITIES

Preparation of transcripts of studies, tables, and other records—1953, \$61,650; 1954, \$60,000; 1955, \$60,000.

## PROGRAM AND PERFORMANCE

Proceeds from the sale of scientific and technical reports and documents are used to reimburse appropriations bearing the expenses of reproducing and disseminating such reports and documents (48 Stat. 1233, sec. 20; 49 Stat. 292, 293).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
01 Personal services: Other payments for personal services	\$3,076	\$3,000	\$3,000
03 Transportation of things	69	100	100
04 Communication services	404	500	500
06 Printing and reproduction	46,936	50,000	50,000
07 Other contractual services	8,165	3,400	3,400
08 Supplies and materials	3,000	3,000	3,000
Obligations incurred	61,650	60,000	60,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$580		
Obligations incurred during the year	61,650	\$60,000	\$60,000
	62,230	60,000	60,000
Deduct reimbursements	1,787		
Total expenditures	60,443	60,000	60,000

## BUREAU OF THE CENSUS

*Special Statistical Work, Census*

Appropriated (estimate) 1954, \$900,000 Estimate 1955, \$600,000

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Appropriation or estimate	\$1,229,372	\$900,000	\$600,000
Prior year balance available	483,973	359,277	300,000
Total available for obligation	1,713,345	1,259,277	900,000
Balance available in subsequent year	-359,277	-300,000	-200,000
Obligations incurred	1,354,068	959,277	700,000

## OBLIGATIONS BY ACTIVITIES

Description	1953 actual	1954 estimate	1955 estimate
1. Special statistical studies:			
(a) Age and citizenship searches	\$353,478	\$350,000	\$350,000
(b) Special statistical work	1,000,590	609,277	350,000
Obligations incurred	1,354,068	959,277	700,000

## PROGRAM AND PERFORMANCE

The Bureau performs special statistical work, at cost, for individuals and firms requesting such data. In addition, the Bureau furnishes age and citizenship data from past census records on a fee basis. These fees are \$3 and \$4 depending on the type of handling required. Funds received for these purposes are used to pay expenses incurred in performance of such work (49 Stat. 293; 46 Stat. 21).

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions	200	137	137
Full-time equivalent of all other positions	40	113	34
Average number of all employees	240	251	168
Average salaries and grades:			
General schedule grades:			
Average salary	\$4,223	\$4,419	\$4,551
Average grade	GS-5.6	GS-5.9	GS-5.9
01 Personal services:			
Permanent positions	\$1,043,377	\$522,751	\$531,317
Other positions	123,121	350,094	105,073
Regular pay in excess of 52-week base	4,105	2,975	2,710
Payment above basic rates	15,545		
Total personal services	1,186,148	875,820	639,100
02 Travel	74,109	45,900	33,459
03 Transportation of things	4,333	2,503	1,827
04 Communication services	9,916	5,842	4,263
05 Rents and utility services	13,528	8,345	6,090
06 Printing and reproduction	24,442	15,022	10,962
07 Other contractual services	4,268	2,503	1,827
08 Supplies and materials	3,930	2,503	1,827
13 Refunds, awards, and indemnities	31,352		
15 Taxes and assessments	2,042	839	645
Obligations incurred	1,354,068	959,277	700,000

## ANALYSIS OF EXPENDITURES

	1953 actual	1954 estimate	1955 estimate
Unliquidated obligations, start of year	\$70,008	\$128,675	\$97,830
Obligations incurred during the year	1,354,068	959,277	700,000
	1,424,076	1,087,952	797,830



**GENERAL SERVICES ADMINISTRATION—Con.***Consolidated Working Fund, General Services Administration—Con.***OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	43	68	-----
Average number of all employees.....	35	68	-----
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$3,869	\$4,196	-----
Average grade.....	GS-5.1	GS-5.5	-----
Crafts, protective, and custodial grades:			
Average salary.....	\$3,012	\$2,973	-----
Average grade.....	CPC-4.3	CPC-3.9	-----
Ungraded positions: Average salary.....	\$3,030	\$3,254	-----
01 Personal services:			
Permanent positions.....	\$123,689	\$249,648	-----
Regular pay in excess of 52-week base.....	568	952	-----
Payment above basic rates.....	4,528	5,400	-----
Total personal services.....	128,785	256,000	-----
02 Travel.....	1,956	6,170	-----
03 Transportation of things.....	20,882	12,325	-----
04 Communication services.....	1,535	4,200	-----
05 Rents and utility services.....	160,205	369,000	-----
06 Printing and reproduction.....	846	750	-----
07 Other contractual services.....	124,427	131,334	-----
08 Supplies and materials.....	136,763	18,845	-----
09 Equipment.....	31,976	31,175	-----
10 Lands and structures.....	476,241	8,501	-----
15 Taxes and assessments.....	1,079	1,735	-----
Obligations incurred.....	1,084,695	840,035	-----

*Consolidated Working Fund, General Services Administration (Special Fund)***AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$7,451	\$961	-----
Advanced from other accounts.....	5,675	-----	-----
Total available for obligation.....	13,126	961	-----
Balance available in subsequent year.....	—951	-----	-----
Returned to other accounts.....	—6,500	—951	-----
Obligations incurred.....	5,675	-----	-----

**OBLIGATIONS BY ACTIVITIES**

Construction (Department of the Interior)—1953, \$5,675.

**OBLIGATIONS BY OBJECTS**

10. Lands and structures—1953, \$5,675.

*Consolidated Working Fund, General Services Administration (Trust Fund)***AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$1,132	-----	-----
Returned to other accounts.....	—1,107	-----	-----
Obligations incurred.....	25	-----	-----

**OBLIGATIONS BY ACTIVITIES**

Design, supervision, etc. (Treasury Department)—1953, \$25.

**OBLIGATIONS BY OBJECTS**

07 Other contractual services—1953, \$25.

**HOUSING AND HOME FINANCE AGENCY****OFFICE OF THE ADMINISTRATOR***Consolidated Working Fund, Office of the Administrator, Housing and Home Finance Agency***AMOUNTS AVAILABLE FOR OBLIGATION**

Advanced from other accounts (obligations incurred)—1953, \$7,500.

**OBLIGATIONS BY ACTIVITIES**

Financial analysis and audit of Public Health community facilities projects—1953, \$7,500.

**OBLIGATIONS BY OBJECTS**

Object classification	1953 actual	1954 estimate	1955 estimate
Average number of all employees.....	1	-----	-----
01 Personal services: Positions other than permanent.....	\$7,082	-----	-----
02 Travel.....	389	-----	-----
04 Communication services.....	29	-----	-----
Obligations incurred.....	7,500	-----	-----

**DEPARTMENT OF AGRICULTURE***Consolidated Working Fund, Department of Agriculture***AMOUNTS AVAILABLE FOR OBLIGATION**

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$865,657	\$703,136	-----
Advanced from other accounts.....	3,320,234	550,746	-----
Total available for obligation.....	4,185,891	1,253,882	-----
Balance available in subsequent year.....	—703,136	-----	-----
Returned to other accounts.....	—167,489	—309,171	-----
Unobligated balance, estimated savings.....	—15,974	-----	-----
Obligations incurred.....	3,299,292	944,711	-----

**OBLIGATIONS BY ACTIVITIES**

Description	1953 actual	1954 estimate	1955 estimate
1. Furnishing cost of production and special crop data for various crops insured by the Federal Crop Insurance Corporation.....	\$141,400	\$80,000	-----
2. Collection of data on stocks of rice, beans, and peas, and acreage, yield, production and price data on winter cover crop seeds.....	46,689	-----	-----
3. To cover cost of research on plants which may be sources for the drug, cortisone.....	4,996	5,000	-----
4. Chemical and physical analysis of soils and their relation to irrigation agriculture for Department of Interior.....	7,722	2,000	-----
5. Services relating to fungicidal treatment of ammunition boxes for Department of the Army.....	4,550	-----	-----
6. For investigations and the development of control measures on insects and other arthropods of importance to the National Military Establishment for Department of the Navy.....	16,811	20,000	-----
7. Classified research for Department of the Air Force.....	143,723	58,000	-----
8. Survey of forest products requirements for military purposes and a box lumber study for Department of the Army.....	9,762	-----	-----
9. Research on plywood, glues, laminated plastics, sandwich construction, core and bonding materials, packaging and container materials for Department of the Navy.....	180,965	27,500	-----
10. For mapping strategic areas for Department of the Navy.....	59,400	50,000	-----
11. Studies of adhesives with improved temperature resistant properties for National Advisory Committee on Aeronautics.....	18,890	20,000	-----
12. Protection of Department of the Interior lands within national forests and for smokejumper service on National Park Service lands.....	116,779	109,981	-----
13. For participation in a soil and moisture conservation program and for snow surveys and related hydrologic investigations for Department of the Interior.....	33,132	15,000	-----
14. Rehabilitation or relocation of national forest resources and improvements damaged or destroyed by activities of Department of the Interior agencies.....	41,894	47,101	-----
15. Investigation of applications and construction, maintenance, and improvement of access roads to sources of raw materials for Department of Commerce, Bureau of Public Roads.....	70,984	115,433	-----
16. Investigation and supervision of Federal Power Commission projects.....	1,690	1,875	-----
17. To cover costs of developing packaging specifications for parcel post for Post Office Department.....	19,971	15,000	-----

## OBLIGATIONS BY ACTIVITIES—continued

Description	1953 actual	1954 estimate	1955 estimate
18. For technical assistance on powerline pole problems.....	\$8,780		
19. Snow survey in Montana.....	9,116		
20. For expansion of the snow program in the Columbia River Basin for the benefit of the Bonneville Power Commission.....	1,615		
21. For conducting deep soil borings in connection with surveys being made on certain naval installations.....	4,210		
22. Classification of cotton.....	44,917	\$120,355	
23. Grading of wool.....	286,686	255,174	
24. To conduct studies in the field of training with special reference to investigating the characteristics, methods, and effectiveness of instructors and training officers for Department of the Navy.....	10		
25. To cover expenses relating to investigations of Rural Electrification Administration Cooperatives.....	17,500	18,600	
26. Legal services in connection with the foot-and-mouth disease program.....	3,000		
27. For conducting an educational program for German trainees in the field of Farm Youth Club Organization and Leadership for Department of State.....	33,663		
28. For conducting a training program in agriculture for Finnish nationals, for Department of State.....	30,800		
29. Preparation and distribution of agricultural information by motion pictures: Department of the Air Force.....	50,000		
Veterans Administration.....	29,828		
30. Special bibliographical services on bee culture.....	4,118	3,202	
31. Library and bibliographic services for Mutual Security Agency.....	7,320		
32. For investigations directed toward the development of rubber production in the Western Hemisphere for Institute of Inter-American Affairs.....	298,261		
33. Production of seed including production and acquisition of guayule seeds and seedlings for the national stockpile for General Services Administration.....	57,333	490	
34. For execution of mosaic compilation and miscellaneous photographic reproductions for Department of the Navy.....	600		
35. For economic and technical agricultural assistance to Latin American nations for Institute of Inter-American Affairs.....	1,492,177		
Obligations incurred.....	3,299,292	944,711	

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	366	134	
Full-time equivalent of all other positions.....	38	21	
Average number of all employees.....	358	149	
Average salaries and grades: General schedule grades: Average salary.....	\$4,661	\$4,424	
Average grade.....	GS-6.6	GS-6.3	
Crafts, protective, and custodial grades: Average salary.....	\$3,251	\$3,260	
Average grade.....	CPC-4.5	CPC-4.5	
Grades established by Public Law 535, 81st Cong.: Average salary.....	\$7,969		
Average grade.....	4.1		
Ungraded positions: Average salary.....	\$2,373	\$2,809	
01 Personal services: Permanent positions.....	\$1,843,996	\$566,254	
Other positions.....	121,710	64,586	
Regular pay in excess of 52-week base.....	6,530	2,288	
Payment above basic rates.....	121,253	3,567	
Other payments for personal services.....	1,332		
Total personal services.....	2,094,821	636,695	
02 Travel.....	101,839	74,530	
03 Transportation of things.....	53,209	5,855	
04 Communication services.....	6,635	4,095	
05 Rents and utility services.....	27,666	6,315	
06 Printing and reproduction.....	1,071	200	
07 Other contractual services.....	77,675	155,955	
Services performed by other agencies.....	101,205	3,500	
08 Supplies and materials.....	79,997	39,351	
09 Equipment.....	27,472	15,250	
10 Lands and structures.....	33,164		
11 Grants, subsidies, and contributions.....	689,615	20	

## OBLIGATIONS BY OBJECTS—continued

Object classification	1953 actual	1954 estimate	1955 estimate
15 Taxes and assessments.....	\$5,354	\$3,118	
Subtotal.....	3,299,723	944,884	
Deduct charges for quarters and subsistence.....	431	173	
Obligations incurred.....	3,299,292	944,711	

## Consolidated Working Fund, Department of Agriculture (Trust Fund)

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$11,663	\$24,000	
Advanced from other accounts.....	65,000	49,500	
Total available for obligation.....	76,663	73,500	
Returned to other accounts.....	-89		
Balance available in subsequent year.....	-24,000		
Obligations incurred.....	52,574	73,500	

## OBLIGATIONS BY ACTIVITIES

For research and survey activities relating to continuing and expanding abaca production in the Western Hemisphere (Reconstruction Finance Corporation)—1953, \$52,574; 1954, \$73,500.

## OBLIGATIONS BY OBJECTS

Object classification	1953 actual	1954 estimate	1955 estimate
Total number of permanent positions.....	5	5	
Full-time equivalent of all other positions.....	2	2	
Average number of all employees.....	6	7	
Average salaries and grades: General schedule grades: Average salary.....	\$5,570	\$5,570	
Average grade.....	GS-8.3	GS-8.3	
01 Personal services: Permanent positions.....	\$26,624	\$28,070	
Other positions.....	3,935	8,600	
Regular pay in excess of 52-week base.....	147	150	
Payment above basic rates.....	7,397	7,480	
Total personal services.....	38,103	44,300	
02 Travel.....	5,068	5,800	
03 Transportation of things.....	166	400	
04 Communication services.....	15	300	
05 Rents and utility services.....	2,060	2,100	
07 Other contractual services.....	4,618	15,300	
08 Supplies and materials.....	1,144	3,000	
09 Equipment.....	1,346	2,000	
15 Taxes and assessments.....	54	300	
Obligations incurred.....	52,574	73,500	

## DEPARTMENT OF COMMERCE

## OFFICE OF THE SECRETARY

Consolidated Working Fund, Commerce, Office of the Secretary of Commerce

## AMOUNTS AVAILABLE FOR OBLIGATION

	1953 actual	1954 estimate	1955 estimate
Prior year balance available.....	\$3,506	\$4,041	
Advanced from other accounts.....	318,090	296,787	\$274,074
Total available for obligation.....	322,196	300,828	274,074
Balance available in subsequent year.....	-4,041		
Returned to other accounts.....	-1,650	-4,041	
Unobligated balance, estimated savings.....	-20,909		
Obligations incurred.....	295,596	296,787	274,074
Comparative transfer to "Salaries and expenses, Office of Defense Mobilization".....	-39,042		
Total obligations.....	256,554	296,787	274,074



## INTRODUCTION TO PART IV

Part IV of the budget contains special analyses of budget data and Federal programs. These analyses supplement material appearing in other parts of the budget. Most of the analyses include explanatory material which expands and elaborates these introductory notes.

### RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

*Special Analysis A* presents information on the flow of money between the public and the Government as a whole, including both Federal funds and trust (and deposit) funds. For the purposes of the analysis the Government is defined to include certain quasi-governmental corporations, the transactions of which are otherwise excluded from the budget (such as the Federal Home Loan Banks and the Federal Deposit Insurance Corporation). The public is defined to include individuals, partnerships, banks, private corporations, the Federal Reserve System, the Postal Savings System, State and local governments, foreign governments, and international organizations. Excluded from the table are interfund transactions, such as payments from Federal funds to trust funds. The few items of Government expenditures which are made in the form of additions to the public debt (such as interest accruing on savings bonds) are reported here only at the time the cash payments are subsequently made, in contrast to the rest of the budget document, where such items are reported as a budget expenditure at the time the increase in the public debt occurs. Noncash receipts from the exercise of the Government's monetary authority (such as seigniorage on silver) are also eliminated.

### ANALYSIS OF THE BUDGET BY FUNCTION AND AGENCY

*Special Analysis B* gives the details for the functional breakdown of authorizations and expenditures which appear in table 1 of part I. It is compiled by regrouping the figures found in the chapter summaries of part II. The code numbers used in the chapter summaries are the key to the grouping found in this analysis.

### DETAILS AND EXPLANATION OF BUDGET RECEIPTS

*Special Analysis C* presents details on the budget receipts summarized in table 1. It includes a statement explaining the receipt estimates, together with a table giving a classification of receipts by source. The figures include receipts of both the general fund and the special funds. The text pertaining to taxes, customs, and refunds is prepared by the Treasury Department.

### CHARACTER ANALYSIS OF BUDGET EXPENDITURES

*Special Analysis D* analyzes budget expenditures in terms of the duration and nature of the benefits derived. Expenditures of an *investment* type are shown in two major categories—one for acquisition or improvement of Federal assets, and the other for developmental purposes such as additions to State, local, and private assets, and expenditures for research, education, and health. Expenditures yielding *current* benefits are also grouped in two major categories—one for aids and services to

special groups and the other for the remaining current expenditures. Receipts of public enterprise funds are classified according to the same categories as the corresponding expenditures. The analysis is based on gross budget expenditures and receipts of public enterprise funds in each fiscal year. No adjustments are made for depreciation, obsolescence, allowances for potential losses on loans, and other items not reflected in current expenditure data.

*Special Analysis E* gives detailed information on the major Federal programs involving direct loans, loan insurance, and loan guarantees. It provides data on commitment authority, commitments, expenditures, repayments, and outstanding loans, guarantees, and insurance.

*Special Analysis F* provides an analysis of the construction activities of the Federal Government. It presents detailed information on direct Federal public works and Federal grants and loans for public works. It gives summary information on Federal financial assistance for certain international public works, semipublic works, and construction by private business and individuals.

*Special Analysis G* brings together information on those items in the budget which are for Federal aid to State and local governments. It includes grants-in-aid, shared revenues, and loans (including repayable advances).

*Special Analysis H* shows the amounts devoted to research and development purposes. It includes both basic and applied research and the construction of research facilities.

### SELECTED INVESTMENT AND INTERFUND TRANSACTIONS

*Special Analysis I* sets forth certain investment and interfund transactions which are not reflected in the expenditures or receipts shown elsewhere in the budget. The first two groups of these are the investments by revolving and trust funds in United States Government securities and the net borrowing or repayment of debt to the public by wholly owned corporations. The totals of these transactions, while not a part of budget expenditures or receipts, affect the financing requirements of the Government as a whole, and therefore are carried forward from this analysis to table 3 in part I. The other group of transactions included in this table constitutes the payments by the revolving funds to the general fund, representing the return of capital or the distribution of earnings; such payments are excluded from budget expenditures and budget receipts in parts I and II of the budget in order to avoid inflating both sides of the budget. They are set forth here to make the record complete.

### HISTORICAL COMPARISON OF BUDGET FIGURES

*Special Analysis J* presents a 10-year comparison of budget receipts and expenditures. The receipts are classified by source and the expenditures by function. Technical notes set forth the changes in concepts and classifications since the 1954 budget. As in *Special Analysis B*, the code numbers appearing in the chapter summaries of part II are the key to the grouping of items in the expenditure section of this analysis.

SPECIAL ANALYSIS A  
**RECEIPTS FROM AND PAYMENTS TO THE PUBLIC**  
**EXCLUDING MAJOR INTRAGOVERNMENTAL AND NONCASH TRANSACTIONS**  
 [In millions]

Description	1953 actual	1954 estimate	1955 estimate
<b>RECEIPTS FROM THE PUBLIC</b>			
Individual income taxes.....	\$32,478	\$33,433	\$30,323
Corporation income and excess profits taxes.....	21,595	22,809	20,264
Excise taxes.....	9,943	10,227	10,239
Employment taxes.....	4,998	5,530	6,417
Estate and gift taxes.....	891	955	955
Customs.....	613	590	590
Internal revenue not otherwise classified.....	49		
Deposits by States, unemployment insurance.....	1,371	1,325	1,455
Veterans' life insurance premiums.....	428	522	485
Other budget and trust fund receipts.....	2,037	2,529	2,604
Refunds of budget receipts (—).....	—3,120	—2,988	—2,491
<b>Total receipts from the public.....</b>	<b>71,283</b>	<b>74,932</b>	<b>70,842</b>
<b>PAYMENTS TO THE PUBLIC</b>			
National security.....	50,423	48,934	45,042
Veterans' services and benefits.....	4,883	4,926	4,903
International affairs and finance.....	2,177	1,744	1,246
Social security, welfare, and health.....	5,393	6,122	6,913
Housing and community development.....	444	82	—310
Education and general research.....	279	280	224
Agriculture and agricultural resources.....	2,953	2,709	2,338
Natural resources.....	1,368	1,185	1,114
Transportation and communication.....	2,066	1,844	1,406
Finance, commerce, and industry.....	12	95	97
Labor and manpower.....	1,291	1,365	1,541
General government.....	1,326	1,470	1,326
Interest.....	4,715	4,821	5,172
Deposit funds (net) <sup>1</sup> .....	—471	—70	6
Reserve for contingencies.....		75	150
Deduction (—) from Federal employees' salaries for retirement funds.....	—421	—423	—423
Clearing account for outstanding checks and telegraphic reports.....	312	7	—19
Adjustment to daily Treasury statement basis.....	—197		
<b>Total payments to the public.....</b>	<b>76,554</b>	<b>75,166</b>	<b>70,727</b>
<b>Excess of receipts from the public.....</b>			<b>115</b>
<b>Excess of payments to the public.....</b>	<b>5,272</b>	<b>234</b>	
<b>BORROWING AND REPAYMENT OF BORROWING FROM THE PUBLIC</b>			
Excess of payments to or receipts from (—) the public.....	5,272	234	—115
Receipts from exercise of monetary authority (—) <sup>2</sup> .....	—55	—73	—49
Increase or decrease (—) in Treasury cash balance.....	—2,299	280	
<b>Borrowing from the public (net).....</b>	<b>2,918</b>	<b>441</b>	
<b>Repayment of borrowing from the public (net).....</b>			<b>164</b>

<sup>1</sup> Excludes deposit funds of quasi-governmental corporations and European Payments Union.

<sup>2</sup> Consists mainly of seigniorage on silver.

NOTE.—Detail does not necessarily add to totals because of rounding.

As described on page 1098, this analysis presents information on the flow of money between the public and the Federal Government as a whole. The above statement of Receipts From and Payments to the Public has also been called the "consolidated cash budget" and "cash income and outgo of the United States Treasury."

A detailed explanation of the concepts used in the above table and their relation to the budget totals has been published in preceding budget documents, most recently in the 1953 budget, page 1142. Supporting tables, showing the complete detail of the individual adjustments made to derive the figures in this analysis, can be obtained upon request from the Bureau of the Budget.

In effect, the table of Receipts From and Payments to the Public is a consolidated cash statement of Federal nonborrowing transactions with the public. This is illustrated in the following table which summarizes the adjustments made in deriving the figures for the fiscal year 1953.

**FEDERAL CASH TRANSACTIONS WITH THE PUBLIC**

[Fiscal year 1953. In millions]

Transaction	Federal funds	Trust funds	Clearing account for outstanding checks, etc.	Total
<b>Receipts:</b>				
Total (from tables 1 and 10).....	\$64,593	\$8,932		\$73,525
Less:				
Intragovernmental transactions.....	208	1,979		2,187
Receipts from exercise of monetary authority.....	55			55
Equals: Receipts from public.....	64,330	6,953		71,283
<b>Expenditures:</b>				
Total (from tables 1, 3, and 10).....	73,932	5,288	\$312	79,582
Less:				
Intragovernmental transactions.....	2,127	60		2,187
Noncash transactions.....	762	79		841
Equals: Payments to public.....	71,093	5,149	312	76,554



## SPECIAL ANALYSIS B

## ANALYSIS OF BUDGET BY FUNCTION AND AGENCY

This special analysis supplies data on new obligational authority by function, and provides supporting detail for the expenditures included in the budget message tables and in tables 1 and 9 of part I.

For each function and subfunction, data are listed by agencies. In order to find the appropriation items which make up the amounts shown for the agency, it is necessary to look in the chapter summary for that agency. Each entry in the chapter summary is coded to indicate the subfunction in which it is classified.

The functional classification used in this Budget summarizes authorizations and expenditures according to the major purposes of the Government. Each function brings together programs which are related to a broad purpose, regardless of the agency responsible. Each major function is divided into several subfunctions which are groups of programs directed to a selected field within the broader category. Changes made in the classification this year are specified in a note in Special Analysis J.

For purposes of this classification each appropriation account and each special fund, revolving fund, and management fund is treated as a unit. Exceptions are made, and accounts are split into two or more categories, in only nine cases. This necessarily involves some close decisions

in borderline cases, and it means that programs with secondary significance for some major functions will be included in another category because another purpose predominates in the particular appropriation. Thus, to secure a comprehensive total of all Government programs related to education, or to finance, commerce, and industry, for example, it would be necessary to provide a special tabulation, counting in this category some appropriations which might also be relevant to other categories.

For each major function and subfunction, expenditures are shown on a gross basis, with a deduction for receipts of public enterprise funds to arrive at net budget expenditures for the function or subfunction.

Whereas this special analysis presents both authorizations and expenditures for major functions, subfunctions and agencies over a 3-year period, Special Analysis J shows expenditures for the major functions and subfunctions over a 10-year period. Special Analysis A shows payments to the public, classified by major function. The functional categories are also used in the analyses summarizing Federal activities in public works and other construction, and Federal aid to State and local governments.

## SPECIAL ANALYSIS B—Continued

## NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued

## BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>NATIONAL SECURITY</b>						
051. Direction and coordination of defense: Department of Defense—Military Functions: Office of the Secretary of Defense.....	\$14,550,000	\$13,250,000	\$13,500,000	\$14,597,044	\$12,175,000	\$13,000,000
052. Air Force defense: Department of Defense—Military Functions: Air Force.....	20,451,292,920	11,416,896,000	11,206,000,000	15,085,227,952	15,600,000,000	16,209,000,000
053. Army defense: Department of Defense—Military Functions: Army.....	15,221,137,039	12,776,981,000	8,236,000,000	16,241,694,760	14,209,000,000	10,198,000,000
054. Naval defense: Department of Defense—Military Functions: Navy.....	12,688,356,353	9,525,610,000	9,882,000,000	11,875,313,534	11,300,450,000	10,493,407,500
Deduct receipts of public enterprise funds.....				483,382	450,000	407,500
Total, naval defense (net).....	12,688,356,353	9,525,610,000	9,882,000,000	11,874,830,152	11,300,000,000	10,493,000,000
055. Other central defense activities:						
Funds appropriated to the President.....				108,804	27,000	8,000
Department of Defense—Military Functions: Interservice activities.....	400,235,000	762,605,000	547,500,000	393,637,608	437,825,000	562,000,000
Total, other central defense activities.....	400,235,000	762,605,000	547,500,000	393,746,412	437,852,000	562,008,000
056. Mutual military program:						
Funds appropriated to the President.....				* 51,640		
Department of Defense—Military Functions.....	4,236,131,500	3,800,000,000	2,500,000,000	3,954,140,714	4,200,000,000	4,275,000,000
Total, mutual military program.....	4,236,131,500	3,800,000,000	2,500,000,000	3,954,089,074	4,200,000,000	4,275,000,000
057. Development and control of atomic energy: Independent offices: Atomic Energy Commission.....	4,079,475,500	1,042,483,000	1,365,900,000	1,790,927,411	2,200,000,000	2,425,000,000
058. Strategic and critical materials: General Services Administration.....	133,857,267			918,912,594	770,000,000	585,000,000
National security: Department of Defense—Military Functions.....			1,108,000,000			100,000,000
Total, national security (gross).....	57,225,035,579	39,337,825,000	34,858,900,000	50,274,508,781	48,720,477,000	44,860,415,500
Deduct receipts of public enterprise funds.....				483,382	450,000	407,500
Total, national security (net).....	57,225,035,579	39,337,825,000	34,858,900,000	50,274,025,399	48,720,027,000	44,860,008,000
Enacted or recommended in this document.....	57,225,035,579	39,337,825,000	31,250,900,000	50,274,025,399	48,720,027,000	44,060,008,000
Proposed for later transmission.....			3,608,000,000			800,000,000
<b>VETERANS' SERVICES AND BENEFITS</b>						
101. Veterans' education and training: Independent offices, Veterans Administration.....	558,764,588	608,685,069	349,797,934	658,883,374	473,089,047	553,910,000
102. Other veterans' readjustment benefits:						
Independent offices: Veterans Administration.....	93,709,612	90,368,931	37,202,066	111,717,401	89,321,188	37,239,066
Department of Labor: Veterans' unemployment compensation.....	27,200,000	38,500,000	55,600,000	25,907,392	39,792,608	60,600,000
Subtotal.....	120,909,612	128,868,931	92,802,066	137,624,793	129,113,796	97,839,066
Deduct receipts of public enterprise funds.....				107,217	99,951	100,000
Total, other veterans' readjustment benefits (net).....	120,909,612	128,868,931	92,802,066	137,517,576	129,013,845	97,739,066
103. Veterans' compensation and pensions: Independent offices: Veterans Administration.....	2,441,274,000	2,461,291,000	2,535,000,000	2,420,139,575	2,484,758,563	2,535,000,000
104. Veterans' insurance and servicemen's indemnities: Independent offices: Veterans Administration.....	72,961,687	99,371,442	72,225,161	102,355,785	104,890,228	74,831,161
Deduct receipts of public enterprise funds.....				846,668	2,165,400	2,826,000
Total, Veterans' insurance and servicemen's indemnities (net).....	72,961,687	99,371,442	72,225,161	101,509,117	102,724,828	72,005,161
105. Veterans' hospitals and medical care: Independent offices: Veterans Administration.....	732,781,967	720,379,600	732,617,000	757,438,488	777,064,846	753,864,796

\* Deduct, excess of repayments and collections over expenditures.



SPECIAL ANALYSIS B—Continued  
NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>VETERANS' SERVICES AND BENEFITS—Continued</b>						
<b>106. Other veterans' services and administration:</b>						
Independent offices:						
American Battle Monuments Commission.....	\$930,000	\$9,250,000	\$4,275,000	\$3,996,225	\$3,236,000	\$5,570,000
Veterans' Administration.....	199,489,043	195,331,000	166,354,000	241,494,436	212,833,360	196,603,389
General Services Administration.....				336	244	
Department of Defense—Civil Functions: Army.....	4,160,000	5,107,000	5,635,000	4,736,904	4,953,944	4,700,000
Department of Labor.....	289,500	300,000	300,000	291,422	295,700	299,000
Subtotal.....	204,868,543	209,988,000	176,564,000	250,519,323	221,319,248	207,172,389
Deduct receipts of public enterprise funds.....				27,807,237	27,809,214	27,280,910
Total, other veterans' services and administration (net).....	204,868,543	209,988,000	176,564,000	222,712,086	193,510,034	179,891,479
Total, veterans' services and benefits (gross).....	4,131,560,397	4,228,584,042	3,959,006,161	4,326,961,338	4,190,235,728	4,222,617,412
Deduct receipts of public enterprise funds.....				28,761,122	30,074,565	30,206,910
Total, veterans' services and benefits (net).....	4,131,560,397	4,228,584,042	3,959,006,161	4,298,200,216	4,160,161,163	4,192,410,502
Enacted or recommended in this document.....	4,131,560,397	4,010,484,042	3,959,006,161	4,298,200,216	3,942,061,163	4,192,410,502
Proposed for later transmission.....		218,100,000			218,100,000	
<b>INTERNATIONAL AFFAIRS AND FINANCE</b>						
<b>151. Conduct of foreign affairs:</b>						
Independent offices:						
Commission on Foreign Economic policy.....		300,000			280,000	20,000
Tariff Commission.....	1,291,375	1,291,375	1,327,000	1,227,070	1,301,507	1,333,393
Department of State.....	137,456,550	112,469,442	114,847,860	149,185,304	127,849,774	123,248,000
Subtotal.....	138,747,925	114,060,817	116,174,860	150,412,374	129,431,281	124,601,396
Deduct receipts of public enterprise fund.....				1,392	131,164	
Total, conduct of foreign affairs.....	138,747,925	114,060,817	116,174,860	150,410,982	129,300,117	124,601,396
<b>152. Economic and technical development:</b>						
Funds appropriated to the President.....	1,907,113,250	930,566,827	1,184,025,000	1,727,964,239	1,308,103,807	1,069,560,000
Independent offices:						
Displaced Persons Commission.....				149,519	433,672	
Philippine War Damage Commission.....				5,962		
Export-Import Bank of Washington.....				552,483,233	548,582,700	473,966,301
Department of Agriculture: Commodity Credit Corporation.....					79,799,000	1,958,000
Department of Commerce.....	999,302	2,000,000	2,000,000	2,576,368	3,956,607	3,700,000
Department of Defense—Civil Functions: Army.....	13,554,744	61,100,000	4,050,000	115,391,000	84,000,000	44,150,000
Department of State.....	195,705		135,000,000	1,628,898	136,935	70,045,000
Subtotal.....	1,921,863,001	993,666,827	1,325,075,000	2,400,187,295	2,025,012,721	1,663,379,301
Deduct receipts of public enterprise funds.....				440,173,197	469,328,860	634,933,301
Total, economic and technical development (net).....	1,921,863,001	993,666,827	1,325,075,000	1,960,014,098	1,555,683,861	1,028,446,000
<b>153. Foreign information and exchange activities:</b>						
Independent offices: United States Information Agency.....		78,194,655	89,000,000		72,600,000	81,318,943
Department of State.....	88,705,903	21,341,743	16,356,630	105,617,337	21,900,000	15,680,000
Total, foreign information and exchange activities.....	88,705,903	99,536,398	105,356,630	105,617,337	94,500,000	96,998,943
Total, international affairs and finance (gross).....	2,149,316,829	1,207,264,042	1,546,606,490	2,656,217,006	2,248,944,002	1,884,979,640
Deduct receipts of public enterprise funds.....				440,174,589	469,460,024	634,933,301
Total, international affairs and finance (net).....	2,149,316,829	1,207,264,042	1,546,606,490	2,216,042,417	1,779,483,978	1,250,046,339
Enacted or recommended in this document.....	2,149,316,829	1,205,704,042	236,606,490	2,216,042,417	1,778,283,978	879,686,339
Proposed for later transmission.....		1,560,000	1,310,000,000		1,200,000	370,360,000
<b>SOCIAL SECURITY, WELFARE, AND HEALTH</b>						
<b>201. Retirement and dependents' insurance:</b>						
Independent offices: Railroad Retirement Board.....	33,000,000	34,852,000		32,989,681	34,857,000	

\* Deduct, excess of repayments and collections over expenditures.

## SPECIAL ANALYSIS B—Continued

## NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued

## BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>SOCIAL SECURITY, WELFARE, AND HEALTH—Continued</b>						
<b>202. Public assistance:</b> Department of Health, Education, and Welfare: Social Security Administration:						
Grants to States for public assistance.....	\$1,340,000,000	\$1,398,000,000	\$1,308,000,000	\$1,329,933,471	\$1,388,967,593	\$1,293,000,000
Other.....	1,785,000	1,726,725	1,723,000	1,851,767	1,694,000	1,713,000
Total, public assistance.....	1,341,785,000	1,399,726,725	1,309,723,000	1,331,785,238	1,390,661,593	1,294,713,000
<b>203. Aid to special groups:</b>						
Department of Agriculture.....	83,364,269	83,236,197	68,000,000	82,835,014	83,225,500	68,000,000
Department of Health, Education, and Welfare.....	24,500,000	25,187,400	30,150,000	24,532,015	25,149,000	29,115,000
Department of the Interior.....	51,801,000	52,000,000	54,105,320	48,245,769	51,211,000	54,000,000
Total, aid to special groups.....	159,665,269	160,423,597	152,255,320	155,612,798	159,585,500	151,115,000
<b>205. Accident compensation:</b> Department of Labor.....	40,171,385	42,317,500	43,030,000	42,563,961	42,289,500	43,023,800
<b>206. Promotion of public health:</b>						
Independent offices: Commission on the Potomac River Basin.....	5,000	5,000	5,000	5,000	5,000	5,000
General Services Administration.....	11,400,000			190,542	2,950,000	10,325,000
Department of Health, Education, and Welfare:						
Public Health Service.....	222,223,236	210,630,950	280,563,000	271,809,084	240,778,276	233,303,096
Other.....	46,934,854	42,404,925	42,279,000	44,688,568	45,131,797	44,740,405
Subtotal.....	280,563,090	253,040,875	322,847,000	316,693,194	288,865,073	288,373,501
Deduct receipts of public enterprise funds.....				218,326	225,416	221,750
Total, promotion of public health (net).....	280,563,090	253,040,875	322,847,000	316,474,868	288,639,657	288,151,751
<b>207. Prisons and probation:</b>						
The Judiciary.....	2,420,000			2,391,245	65,500	
Department of Justice.....	28,024,000	28,351,830	29,350,000	26,748,281	27,023,016	27,602,072
Total, prisons and probation.....	30,444,000	28,351,830	29,350,000	29,139,526	27,088,516	27,602,072
<b>208. Defense community facilities and services:</b> Department of Health, Education, and Welfare.....				1,227,287	3,505,510	2,000,000
Total, social security, welfare, and health (gross).....	1,885,628,744	1,918,712,527	1,857,205,320	1,910,011,685	1,946,852,692	1,806,827,273
Deduct receipts of public enterprise funds.....				218,326	225,416	221,750
Total, social security, welfare, and health (net).....	1,885,628,744	1,918,712,527	1,857,205,320	1,909,793,359	1,946,627,276	1,806,605,623
Enacted or recommended in this document.....	1,885,628,744	1,860,482,527	1,651,305,320	1,909,793,359	1,888,477,276	1,683,775,623
Proposed for later transmission.....		58,230,000	205,900,000		58,150,000	122,830,000
<b>HOUSING AND COMMUNITY DEVELOPMENT</b>						
<b>251. Public housing programs:</b>						
Funds appropriated to the President.....				63		
Independent offices: National Capital Housing Authority.....	45,000	43,000	43,000	53,995	43,007	43,000
Housing and Home Finance Agency.....	37,890,000	50,250,000	77,000,000	1,026,525,687	1,222,453,774	956,356,157
Subtotal.....	37,935,000	50,293,000	77,043,000	1,026,579,745	1,222,496,781	956,399,157
Deduct receipts of public enterprise funds.....				1,025,300,098	1,442,411,321	1,189,742,001
Total, public housing programs (net).....	37,935,000	50,293,000	77,043,000	1,279,647	* 219,914,540	* 233,342,844
<b>252. Aids to private housing:</b>						
Independent offices: Veterans Administration.....	92,090,023	98,000,000		92,430,327	108,515,307	83,745,000
Housing and Home Finance Agency:						
Federal National Mortgage Association.....	900,000,000			645,200,829	590,151,000	488,266,000
Other.....	14,730,489	40,393,250	4,651,922	138,518,171	133,559,200	97,802,750
Department of Agriculture.....	19,000,000	16,500,000		19,000,000	16,500,000	
Subtotal.....	1,025,820,512	154,893,250	4,651,922	895,149,327	848,725,507	669,813,750
Deduct receipts of public enterprise funds:						
Federal National Mortgage Association.....				266,575,174	528,279,102	654,500,000
Other.....				234,452,279	281,630,185	245,099,592
Total, aids to private housing (net).....	1,025,820,512	154,893,250	4,651,922	394,121,874	38,816,220	* 229,785,812

\* Deduct, excess of repayments and collections over expenditures.



## SPECIAL ANALYSIS B—Continued

## NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued

## BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>HOUSING AND COMMUNITY DEVELOPMENT—Continued</b>						
<b>253. Research and other general housing aids: Housing and Home Finance Agency—</b>						
Deduct receipts of public enterprise funds—	\$4,606,000	\$3,215,550	\$2,900,000	\$18,933,719	\$40,257,021	\$64,905,322
				211,839	1,305,572	4,343,500
Total, research and other general housing aids (net) —	4,606,000	3,215,550	2,900,000	18,721,880	38,951,449	60,561,822
<b>254. Provision of community facilities:</b>						
General Services Administration—	2,788			8,311	11,970	12,000
Housing and Home Finance Agency—		10,000,000		11,750,370	19,544,554	7,183,100
Department of the Interior—	14,307,880	13,100,000	5,890,000	8,688,859	11,405,089	11,700,000
Treasury Department—				10,315,600	22,329,000	18,800,000
Subtotal —	14,310,668	23,100,000	5,890,000	30,763,140	53,290,613	37,695,100
Deduct receipts of public enterprise funds—				8,501,092	10,334,509	32,045,206
Total, provision of community facilities (net) —	14,310,668	23,100,000	5,890,000	22,262,048	42,956,104	5,649,894
<b>255. Urban development and redevelopment: Housing and Home Finance Agency—</b>						
Deduct receipts of public enterprise funds—	350,000,000	350,000,000		24,775,981	68,326,309	97,244,360
				3,674,117	30,500,600	49,654,500
Total, urban development and redevelopment (net) —	350,000,000	350,000,000		21,101,864	37,825,709	47,589,860
<b>256. Civil defense: Independent offices:</b>						
Federal Civil Defense Administration—	43,000,000	46,525,000	85,750,000	77,108,466	73,578,168	66,756,000
Treasury Department—				1,224,720	2,406,000	3,645,500
Subtotal—	43,000,000	46,525,000	85,750,000	78,333,186	75,984,168	70,401,500
Deduct receipts of public enterprise funds—				27,015,618	1,696,500	1,771,500
Total, civil defense (net)—	43,000,000	46,525,000	85,750,000	51,317,668	74,287,668	68,630,000
<b>257. Defense housing community facilities and services: Housing and Home Finance Agency—</b>						
	50,000,000			27,969,603	31,439,650	500,000
<b>258. Disaster insurance, loans, and relief:</b>						
Funds appropriated to the President—				11,886,501	15,000,000	6,000,000
Treasury Department—				3,488,753	1,725,000	600,000
Subtotal—				15,375,254	16,725,000	6,600,000
Deduct receipts of public enterprise funds—				3,290,618	3,600,000	3,000,000
Total, disaster insurance, loans, and relief (net)—				12,084,636	13,125,000	3,600,000
Total, housing and community development (gross) —	1,525,662,180	628,026,800	176,234,922	2,117,879,955	2,357,245,049	1,903,559,219
Deduct receipts of public enterprise funds—				1,569,020,735	2,299,757,789	2,180,156,299
Total, housing and community development (net) —	1,525,662,180	628,026,800	176,234,922	548,859,220	57,487,260	* 276,597,080
Enacted or recommended in this document—	1,525,662,180	607,226,800	176,234,922	548,859,220	46,687,260	* 279,597,080
Proposed for later transmission—		20,800,000			10,800,000	3,000,000
<b>EDUCATION AND GENERAL RESEARCH</b>						
<b>301. Promotion of education: Department of Health, Education, and Welfare—</b>						
	289,313,384	177,983,942	131,589,831	234,825,125	233,957,017	172,776,831
<b>302. Educational aid to special groups:</b>						
Legislative branch—	1,000,000	1,000,000	1,000,000	1,073,166	1,130,366	997,850
Department of Health, Education, and Welfare—	3,663,221	3,602,200	8,053,000	5,455,566	5,953,832	6,462,902
Total, educational aid to special groups—	4,663,221	4,602,200	9,053,000	6,528,732	7,084,198	7,460,752
<b>303. Library and museum services:</b>						
Legislative branch—	7,077,919	7,156,072	7,824,868	7,279,217	7,436,157	7,692,009
Independent offices: Smithsonian Institution—	3,847,550	4,275,000	4,300,000	3,871,542	4,199,952	4,276,325
Total, library and museum services—	10,925,469	11,431,072	12,124,868	11,150,759	11,636,109	11,968,334

\* Deduct, excess of repayments and collections over expenditures.

SPECIAL ANALYSIS B—Continued  
NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>EDUCATION AND GENERAL RESEARCH—Continued</b>						
<b>301. General-purpose research:</b>						
Independent offices: National Science Foundation.....	\$4,750,000	\$8,000,000	\$14,000,000	\$4,013,175	\$6,600,934	\$11,816,000
General Services Administration.....				3,950		
Department of Commerce.....	18,253,935	14,810,000	18,500,000	20,514,988	18,441,948	18,640,101
Total, general-purpose research.....	23,003,935	22,810,000	32,500,000	24,532,113	25,042,882	30,456,101
Total, education and general research.....	327,906,009	216,827,214	185,267,699	277,036,729	277,720,206	222,662,018
Enacted or recommended in this document.....	327,906,009	208,827,214	184,967,699	277,036,729	276,220,206	216,062,018
Proposed for later transmission.....		8,000,000	300,000		1,500,000	6,600,000
<b>AGRICULTURE AND AGRICULTURAL RESOURCES</b>						
<b>351. Stabilization of farm prices and farm income: Department of Agriculture:</b>						
Commodity Credit Corporation:						
Agriculture price support.....				3,213,661,258	4,395,509,419	3,225,079,447
Other.....	291,553,404	1,040,813,548	1,750,000,000	130,786,401	84,481,612	89,175,982
Agricultural Marketing Service: Removal of surplus agricultural commodities.....	181,040,312	169,954,002	180,000,000	82,284,700	204,972,000	233,109,400
Other.....	85,302,357	111,408,287	107,800,000	102,644,077	146,814,388	140,199,575
Subtotal.....	557,896,073	1,322,175,837	2,037,800,000	3,529,376,436	4,831,777,419	3,687,564,404
Deduct receipts of public enterprise funds.....				1,404,187,538	3,271,616,173	2,149,873,133
Total, stabilization of farm prices and farm income (net).....	557,896,073	1,322,175,837	2,037,800,000	2,125,188,898	1,560,161,246	1,537,691,271
<b>352. Financing farm ownership and operation:</b>						
Independent offices: Farm Credit Administration.....	28,243,577	7,093,713	24,823,000	1,935,990,498	2,012,079,049	2,164,268,100
Department of Agriculture:						
Commodity Credit Corporation.....					152,005,937	
Other.....	174,340,042	322,237,000	167,750,000	223,988,058	355,956,903	233,459,450
Subtotal.....	202,583,619	329,330,713	192,573,000	2,159,978,556	2,520,041,889	2,397,727,550
Deduct receipts of public enterprise funds.....				2,050,575,380	2,146,797,018	2,204,375,085
Total, financing farm ownership and operation (net).....	202,583,619	329,330,713	192,573,000	109,403,176	373,244,871	193,352,465
<b>353. Financing rural electrification and rural telephones: Department of Agriculture.....</b>	100,787,980	210,065,000	137,085,000	239,440,215	249,618,000	232,295,000
<b>354. Conservation and development of agricultural land and water resources:</b>						
Department of Agriculture:						
Agricultural conservation program.....	249,809,866	211,982,000	195,000,000	272,734,841	225,000,000	196,000,000
Commodity Credit Corporation.....				35,410,222	31,000,000	
Other.....	67,825,522	73,842,014	69,479,500	66,271,702	72,967,755	70,817,500
Department of the Interior.....				10,925		
Subtotal.....	317,635,388	285,824,014	264,479,500	374,427,690	328,967,755	266,817,500
Deduct receipts of public enterprise funds.....				57,000,000	14,410,222	31,000,000
Total, conservation and development of agricultural land and water resources (net).....	317,635,388	285,824,014	264,479,500	317,427,690	314,557,533	235,817,500
<b>355. Research and other agricultural services:</b>						
Department of Agriculture:						
Commodity Credit Corporation.....	11,240,532	9,144,345		2,163,351	5,895,672	144,000
Other.....	143,343,682	145,457,997	159,164,313	142,423,350	150,974,628	167,082,815
Total, research and other agricultural services.....	154,584,214	154,602,342	159,164,313	144,586,701	156,870,300	167,226,815
Total, agriculture and agricultural resources (gross).....	1,333,487,274	2,301,997,906	2,791,101,813	6,447,809,598	8,087,275,363	6,751,631,269
Deduct receipts of public enterprise funds.....				3,511,762,918	5,432,823,413	4,385,248,218
Total, agriculture and agricultural resources (net).....	1,333,487,274	2,301,997,906	2,791,101,813	2,936,046,680	2,654,451,950	2,366,383,051
Enacted or recommended in this document.....	1,333,487,274	1,526,903,144	1,033,101,813	2,936,046,680	2,654,318,950	2,363,976,051
Proposed for later transmission.....		775,094,762	1,753,000,000		133,000	2,407,000



SPECIAL ANALYSIS B--Continued  
NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES--Continued  
BY FUNCTION AND AGENCY--Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>NATURAL RESOURCES</b>						
<b>401. Conservation and development of land and water resources:</b>						
Independent offices:						
Federal Power Commission.....	\$4,120,443	\$4,332,498	\$4,191,379	\$4,257,190	\$4,255,631	\$4,132,498
Tennessee Valley Authority.....	336,027,000	188,546,000	141,800,000	315,652,396	365,816,362	439,508,000
Department of Defense--Civil Functions: Army.....	461,031,052	329,840,600	347,152,000	578,924,114	415,381,049	366,360,577
Department of the Interior:						
Bureau of Reclamation.....	210,700,305	147,930,408	165,050,000	234,595,622	182,365,262	171,801,900
Other.....	125,641,970	99,330,988	82,004,860	111,357,684	115,694,944	103,302,350
Department of State.....	14,600,000	8,000,000	2,080,000	14,611,466	9,230,000	4,935,000
Subtotal.....	1,152,120,770	777,980,494	742,278,239	1,259,398,481	1,092,743,248	1,090,040,325
Deduct receipts of public enterprise funds.....				137,728,301	174,401,118	231,551,700
Total, conservation and development of land and water resources (net).....	1,152,120,770	777,980,494	742,278,239	1,121,670,180	918,342,130	858,488,625
<b>402. Conservation and development of forest resources:</b>						
Department of Agriculture.....	101,904,513	104,154,614	101,005,587	96,525,115	109,769,421	102,231,260
Department of the Interior.....	6,136,659	6,454,000	7,282,000	10,017,164	6,454,449	7,282,000
Total, conservation and development of forest resources.....	108,041,172	110,608,614	108,287,587	106,542,279	116,223,870	109,513,260
<b>403. Conservation and development of mineral resources:</b>						
Department of Defense--Civil Functions: Army.....	127,485			35,224	38,000	30,000
Department of the Interior.....	38,141,637	37,811,980	36,060,000	40,823,206	41,123,079	39,368,889
Subtotal.....	38,269,122	37,811,980	36,060,000	40,858,430	41,161,079	39,398,889
Deduct receipts of public enterprise funds.....				2,649,718	2,830,655	3,013,000
Total, conservation and development of mineral resources (net).....	38,269,122	37,811,980	36,060,000	38,208,712	38,330,424	36,385,889
<b>404. Conservation and development of fish and wildlife:</b>						
Independent offices: National Industrial Recovery.....				319	851	
Department of Defense--Civil Functions: Air Force.....	10,330	11,000	11,500	12,547	17,000	12,000
Department of the Interior.....	35,772,025	38,705,514	35,453,500	33,680,321	37,128,551	37,756,000
Department of State.....			325,000	19,267	79,307	225,000
Total, Conservation and development of fish and wildlife.....	35,782,355	38,716,514	35,790,000	33,712,454	37,225,709	37,993,000
<b>405. Recreational use of natural resources: Department of the Interior.....</b>	33,333,153	32,501,425	28,617,779	29,965,889	33,697,676	33,715,519
<b>407. Defense production activities: Department of the Interior.....</b>	3,100,000	540,000		2,985,159	836,000	39,422
<b>409. General resource surveys: Department of the Interior.....</b>	25,362,685	27,750,000	27,335,000	25,290,181	27,300,000	26,500,000
Total, natural resources (gross).....	1,396,009,257	1,025,909,027	978,368,605	1,498,752,873	1,349,187,582	1,337,200,415
Deduct receipts of public enterprise funds.....				140,378,019	177,231,773	234,564,700
Total, natural resources (net).....	1,396,009,257	1,025,909,027	978,368,605	1,358,374,854	1,171,955,809	1,102,635,715
Enacted or recommended in this document.....	1,396,009,257	1,019,709,027	967,868,605	1,358,374,854	1,168,955,809	1,089,235,715
Proposed for later transmission.....		6,200,000	10,500,000		3,000,000	13,400,000
<b>TRANSPORTATION AND COMMUNICATION</b>						
<b>451. Promotion of the merchant marine: Department of Commerce.....</b>	41,065,050	94,870,000	101,660,000	370,049,318	263,330,728	155,783,050
Deduct receipts of public enterprise funds.....				134,771,736	68,838,020	49,116,850
Total, promotion of the merchant marine (net).....	41,065,050	94,870,000	101,660,000	235,277,582	194,492,708	106,666,200
<b>452. Provision of navigation aids and facilities:</b>						
Department of Defense--Civil Functions: Army.....	100,850,000	95,148,453	203,220,000	218,821,575	204,001,795	211,226,830
Treasury Department.....	243,675,000	211,850,000	181,175,000	229,756,580	235,754,315	190,005,112
Subtotal.....	344,525,000	306,998,453	389,395,000	448,578,155	439,756,110	401,231,942
Deduct receipts of public enterprise funds.....				116,727,324	104,216,878	100,206,800
Total, provision of navigation aids and facilities (net).....	344,525,000	306,998,453	389,395,000	331,850,831	335,539,232	301,025,142

SPECIAL ANALYSIS B—Continued  
NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>TRANSPORTATION AND COMMUNICATION—Continued</b>						
<b>453. Provision of highways:</b>						
Department of Agriculture.....				\$11,137	\$14,000	\$2,655
Department of Commerce:						
Federal-aid highway grants.....	\$585,000,000	\$585,000,000	\$585,000,000	509,437,020	541,390,518	555,000,000
Other.....	32,500,000	38,000,000	22,500,000	40,698,619	50,560,057	27,200,000
Department of the Interior.....	20,318,000	17,600,000	13,440,000	21,974,152	20,000,000	17,500,000
Total, provision of highways.....	637,818,000	640,600,000	620,940,000	572,120,928	611,964,575	599,702,655
<b>454. Promotion of aviation:</b>						
Independent offices: National Advisory Committee for Aeronautics.....	65,286,100	58,239,000	58,220,000	78,585,105	91,000,000	77,000,000
Department of Commerce.....	136,411,143	176,411,250	176,885,000	160,852,386	199,972,323	200,623,014
Total, promotion of aviation.....	201,697,243	234,650,250	235,105,000	239,437,491	290,972,323	277,623,014
<b>455. Regulation of transportation:</b>						
Independent offices:						
Defense transport activities.....	2,200,000	425,000	275,000	2,145,494	470,691	279,500
Interstate Commerce Commission.....	11,003,500	11,284,000	11,500,000	11,020,938	11,252,966	11,511,875
Department of Commerce.....	3,809,000	3,777,000	3,777,000	3,772,760	3,788,000	3,778,000
Total, regulation of transportation.....	17,003,500	15,486,000	15,552,000	16,939,192	15,511,657	15,569,375
<b>456. Other services to transportation:</b>						
Department of Commerce: Federal-aid highway grants.....	12,535,000	12,750,000	10,200,000	12,422,027	11,553,000	10,692,000
Department of the Interior.....	3,906,000	4,215,000	11,994,000	32,199,273	29,969,900	34,054,630
Treasury Department.....				4,299	722,000	5,000
Subtotal.....	16,441,000	16,965,000	22,194,000	44,625,599	42,244,900	44,751,630
Deduct receipts of public enterprise funds.....				29,462,086	82,265,445	24,110,730
Total, other services to transportation (net).....	16,441,000	16,965,000	22,194,000	15,163,513	<sup>a</sup> 40,020,545	20,640,900
<b>457. Postal service: Post Office Department.....</b>	660,121,483	439,349,182	89,032,000	2,775,345,941	2,774,679,670	2,775,082,300
Deduct receipts of public enterprise funds.....				2,116,418,240	2,334,824,706	<sup>b</sup> 2,685,512,000
Postal service (net, general fund).....	660,121,483	439,349,182	89,032,000	658,927,701	439,854,964	89,570,300
<b>458. Regulation of communication: Independent offices: Federal Communications Commission.....</b>	6,408,460	7,400,000	7,644,400	6,690,361	7,259,850	7,420,000
Total, transportation and communication (gross).....	1,925,079,736	1,756,318,885	1,481,522,400	4,473,786,985	4,445,719,813	4,277,163,966
Deduct receipts of public enterprise funds.....				2,397,379,386	2,590,145,049	2,858,946,380
Total, transportation and communication (net).....	1,925,079,736	1,756,318,885	1,481,522,400	2,076,407,599	1,855,574,764	1,418,217,586
Enacted or recommended in this document.....	1,925,079,736	1,735,518,885	1,019,022,400	2,076,407,599	1,770,074,764	1,652,117,586
Proposed for later transmission:						
Proposed postal rate increase.....			<sup>d</sup> 240,000,000			<sup>d</sup> 240,000,000
Other.....		20,800,000	702,500,000		85,500,000	6,100,000
<b>FINANCE, COMMERCE, AND INDUSTRY</b>						
<b>501. Promotion or regulation of financial institutions:</b>						
Independent offices: Securities and Exchange Commission.....	5,245,080	5,000,000	4,825,000	5,459,477	5,079,747	4,825,000
Department of Health, Education, and Welfare.....	1,310,287	250,000		1,171,940	1,484,651	1,505,000
Subtotal.....	6,555,367	5,250,000	4,825,000	6,631,417	6,564,398	6,330,000
Deduct receipts of public enterprise funds.....				9,147,017	26,723,154	1,593,759
Total, promotion or regulation of financial institutions (net).....	6,555,367	5,250,000	4,825,000	<sup>a</sup> 2,515,600	<sup>a</sup> 20,158,756	4,736,241
<b>503. Promotion or regulation of trade and industry:</b>						
Legislative branch.....	1,052,909	1,100,000	1,153,278	1,044,854	1,151,691	1,147,484
Independent offices:						
Federal Trade Commission.....	4,178,800	4,053,800	4,200,000	4,215,088	4,063,990	4,190,000
Small Business Administration.....		2,200,000	2,650,000		1,943,200	2,615,000
Department of Commerce.....	17,152,432	16,565,000	22,110,000	17,128,318	16,575,500	21,715,621
Department of Justice.....	3,205,000	3,325,000	3,100,000	3,181,696	3,148,567	3,107,283
Total, promotion or regulation of trade and industry.....	25,589,141	27,243,800	33,213,278	25,569,956	26,882,948	32,775,388

<sup>a</sup> Deduct, excess of repayments and collections over expenditures.<sup>b</sup> Includes \$240,000,000 proposed postal rate increase.<sup>d</sup> Deduct, \$240,000,000 proposed postal rate increase.



SPECIAL ANALYSIS B—Continued  
NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>FINANCE, COMMERCE, AND INDUSTRY—Continued</b>						
<b>504. Business loans and guarantees:</b>						
Independent offices: Small Business Administration .....		\$55,000,000			\$12,971,594	\$31,235,586
Treasury Department .....				\$145,786,424	166,635,996	14,820,000
Subtotal .....		55,000,000		145,786,424	179,607,590	46,055,586
Deduct receipts of public enterprise funds .....				167,494,237	165,889,678	160,546,514
Total, business loans and guarantees (net) .....		55,000,000		• 21,707,813	13,717,912	• 114,490,928
<b>506. Promotion of defense production and economic stabilization:</b>						
Funds appropriated to the President .....				390,263,867	561,607,671	546,048,448
Independent offices:						
Atomic Energy Commission .....				2,290	2,460	2,460
Defense Materials Procurement Agency .....				515,000		
Defense Production Administration .....	\$1,901,936			2,088,205		
Economic Stabilization Agency .....	59,900,000	1,657,930		64,464,539	2,439,404	
Reconstruction Finance Corporation .....				516,248,982	348,959,759	270,032,000
Small Defense Plants Administration .....	5,250,000	300,000		5,097,240	3,188,284	55,770
General Services Administration .....				1,222,157	18,000	12,000
Department of Commerce .....	34,313,500	8,610,000	\$3,600,000	31,985,703	9,974,125	3,875,000
Department of Defense—Civil Functions:						
Army .....				6,934,567	3,618,587	2,400,000
Navy .....				1,930,642	7,160,000	9,145,000
Air Force .....				178,437	200,000	150,000
Department of Health, Education, and Welfare .....	455,000			493,488	11,452	
Department of Justice .....	90,000			95,128	58	
Treasury Department .....		13,854		5,258,461	687,942	250,000
Subtotal .....	101,910,436	9,981,784	3,600,000	1,026,778,706	937,867,742	831,970,678
Deduct receipts of public enterprise funds .....				952,130,365	794,401,936	593,351,788
Total, promotion of defense production and economic stabilization (net) .....	101,910,436	9,981,784	3,600,000	74,648,341	143,465,806	238,618,890
Total, finance, commerce, and industry (gross) .....	134,054,944	97,475,584	41,638,278	1,204,766,503	1,150,922,678	917,131,652
Deduct receipts of public enterprise funds .....				1,128,771,619	987,014,768	755,492,061
Total, finance, commerce, and industry (net, enacted or recommended in this document) .....	134,054,944	97,475,584	41,638,278	75,994,884	163,907,910	161,639,591
<b>LABOR AND MANPOWER</b>						
<b>551. Mediation and regulation of labor relations: Independent offices:</b>						
Federal Mediation and Conciliation Service .....	3,447,500	3,210,000	3,180,000	3,243,758	3,176,000	3,180,000
National Labor Relations Board .....	9,000,000	9,125,000	8,700,000	8,653,658	9,125,000	8,950,000
National Mediation Board .....	1,130,000	1,171,000	1,261,000	1,080,520	1,156,000	1,258,767
Total, mediation and regulation of labor relations .....	13,577,500	13,506,000	13,141,000	12,977,936	13,457,000	13,388,767
<b>552. Unemployment compensation and placement activities:</b>						
Department of Labor: Grants to States for unemployment compensation and employment service administration .....	204,749,000	199,278,400	245,006,000	211,783,405	199,217,100	213,785,100
Deduct receipts of public enterprise funds .....				3,046,049	2,015,823	1,248,000
Total, unemployment compensation and placement activities (net) .....	204,749,000	199,278,400	245,006,000	208,737,356	197,201,277	212,537,100
<b>553. Labor standards and training:</b>						
Independent offices: Federal Coal Mine Safety Board of Review .....	20,000	80,000	75,000	7,870	77,000	75,000
Department of the Interior .....	4,346,000	5,060,000	5,000,000	4,110,105	4,885,000	4,978,000
Department of Labor .....	13,189,939	12,005,000	12,048,000	13,035,997	12,008,150	12,049,400
Total, labor standards and training .....	17,555,939	17,145,000	17,123,000	17,153,972	16,970,150	17,102,400
<b>554. Labor information, statistics, and general administration:</b>						
Department of Labor .....	7,057,600	6,704,100	6,751,000	7,529,989	7,300,878	6,994,769
<b>555. Defense production activities: Department of Labor</b> .....	1,900,100			1,905,462	112,335	

• Deduct, excess of repayments and collections over expenditures.

## SPECIAL ANALYSIS B—Continued

## NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued

## BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>LABOR AND MANPOWER—Continued</b>						
<b>556. Military manpower selection:</b>						
Independent offices:						
National Security Training Commission.....	\$37,500	\$55,000	\$55,000	\$51,976	\$54,548	\$55,000
Selective Service System.....	36,772,000	29,882,400	31,500,000	32,917,241	30,118,805	30,795,000
Total, military manpower selection.....	36,809,500	29,937,400	31,555,000	32,969,217	30,173,353	30,850,000
Total, labor and manpower (gross).....	281,649,639	266,570,900	313,576,000	284,319,981	267,230,816	282,121,036
Deduct receipts of public enterprise funds.....				3,046,049	2,015,823	1,248,000
Total, labor and manpower (net).....	281,649,639	266,570,900	313,576,000	281,273,932	265,214,993	280,873,036
Enacted or recommended in this document.....	281,649,639	265,913,900	291,476,000	281,273,932	264,686,993	258,704,036
Proposed for later transmission.....		657,000	22,100,000		528,000	22,169,000
<b>GENERAL GOVERNMENT</b>						
<b>601. Legislative functions: Legislative branch.....</b>	45,157,618	46,042,559	45,616,660	47,640,874	46,365,315	47,424,971
<b>602. Judicial functions:</b>						
Legislative branch.....	22,500	22,500	25,000	22,193	22,371	24,500
The Judiciary.....	25,772,252	28,955,920	29,761,055	25,036,851	28,718,372	29,502,855
Independent offices:						
Indian Claims Commission.....	91,400	117,020	117,000	95,230	113,216	116,950
Motor Carrier Claims Commission.....				57,251		
General Services Administration.....				1,655,760	231,828	
Total, judicial functions.....	25,886,152	29,095,440	29,903,055	26,867,285	29,085,787	29,644,305
<b>603. Executive direction and management:</b>						
Executive Office of the President.....	9,350,107	9,343,400	9,007,200	8,935,507	10,222,642	8,851,468
Funds appropriated to the President.....	1,250,000	1,244,134	1,150,000	931,319	925,161	1,200,000
Independent offices:						
Advisory Committee on Weather Control.....		150,000			28,000	116,000
Commission on Intergovernmental Relations.....		500,000			432,000	68,000
Commission on Organization of the Executive Branch of the Government.....		500,000			500,000	
Commission on Renovation of the Executive Mansion.....				25,731		
General Services Administration.....				412,639	67,740	
Treasury Department.....	806,825	857,287	842,800	788,073	866,081	840,800
Total, executive direction and management.....	11,406,932	12,594,821	11,000,000	11,093,269	13,041,624	11,076,268
<b>604. Federal financial management:</b>						
Independent offices:						
General Accounting Office.....	32,060,000	32,281,000	32,200,000	32,026,870	32,315,884	32,300,000
Renegotiation Board.....	5,407,800	5,192,800	5,200,000	4,999,714	5,208,096	5,192,800
Tax Court of the United States.....	900,000	995,000	1,000,000	912,503	995,947	1,001,428
Treasury Department.....	406,429,088	404,104,577	392,799,000	404,589,319	415,431,669	392,996,996
Subtotal.....	444,796,888	442,573,377	431,199,000	442,528,406	453,951,596	431,491,224
Deduct receipts of public enterprise funds.....				167,616	150,000	155,000
Total, Federal financial management (net).....	444,796,888	442,573,377	431,199,000	442,360,790	453,801,596	431,336,224
<b>605. Other central services:</b>						
Legislative branch.....	21,817,120	28,033,255	11,767,800	3,789,175	7,262,308	9,101,160
Independent offices: Civil Service Commission.....	18,703,350	17,000,000	15,690,000	20,629,452	16,405,498	15,435,201
General Services Administration.....	170,688,068	162,380,570	155,200,000	179,441,604	157,648,097	156,214,487
Department of Health, Education, and Welfare.....	165,000	257,000	450,000	183,877	255,102	428,000
Department of the Interior.....	21,200	21,200	21,200	18,084	25,000	21,000
Department of Justice.....	11,170,000	11,147,050	10,790,000	10,893,363	11,100,270	10,823,597
Subtotal.....	222,564,738	218,839,075	193,919,000	214,955,555	192,696,275	192,023,445
Deduct receipts of public enterprise funds.....				449,356	387,444	380,000
Total, other central services (net).....	222,564,738	218,839,075	193,919,000	214,506,199	192,308,831	191,643,445
<b>606. Retirement for Federal civilian employees: Independent offices:</b>						
Civil Service Commission.....	324,157,000	33,897,000	31,977,000	324,003,009	33,886,235	31,989,167
<b>607. Unemployment compensation for Federal civilian employees:</b>						
Department of Labor.....			25,000,000			25,000,000



SPECIAL ANALYSIS B—Continued  
NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1953 enacted	1954 estimate	1955 estimate	1953 actual	1954 estimate	1955 estimate
<b>GENERAL GOVERNMENT—Continued</b>						
<b>608. Protective services and alien control:</b>						
Independent offices:						
Civil Service Commission.....	\$1,000,000	\$1,200,000	\$900,000	\$998,999	\$1,023,493	\$900,000
Subversive Activities Control Board.....	311,305	350,000	300,000	238,711	277,162	300,000
Department of Justice.....	128,573,000	133,875,250	131,997,000	125,841,389	140,202,819	132,262,399
Treasury Department.....	5,515,000	5,290,000	5,208,000	5,538,534	5,464,150	5,203,000
Total, protective services and alien control.....	135,399,305	140,715,250	138,405,000	132,617,633	146,967,624	138,665,399
<b>609. Territories and possessions, and the District of Columbia:</b>						
Independent offices:						
National Capital Planning Commission.....	66,000	225,000	700,000	296,650	739,014	853,920
National Capital Sesquicentennial Commission.....				163,456	81,507	
Department of Defense—Civil Functions:						
Army.....	18,000,000	13,300,000	15,203,000	17,923,448	17,292,375	15,818,500
Navy.....				3,979		
Department of the Interior.....	11,076,287	10,429,300	10,282,000	13,831,947	13,960,150	14,024,687
Treasury Department.....	15,742,619	15,725,000	15,725,000	15,774,043	15,752,206	15,725,000
District of Columbia:						
Federal contribution.....	11,000,000	12,000,000	22,010,000	11,000,000	12,000,000	22,010,000
Other.....	6,900,000	4,000,000	9,482,000	750,000	3,500,000	12,535,000
Subtotal.....	62,784,906	55,679,300	73,402,000	59,743,523	63,325,252	80,967,107
Deduct receipts of public enterprise funds.....				4,368,394	2,978,474	3,170,798
Total, territories and possessions, and the District of Columbia (net).....	62,784,906	55,679,300	73,402,000	55,375,129	60,346,778	77,796,309
<b>610. Other general government:</b>						
Funds appropriated to the President.....				599	740	445
General Services Administration.....		576,200		6,208,901	7,992,020	1,474,993
Department of Commerce.....	29,121,775	29,150,000	26,950,000	28,375,353	28,984,601	27,313,506
Department of Defense—Civil Functions: Army.....				89,713	66,177	
Department of Health, Education, and Welfare.....	3,222,500	3,350,650	3,485,000	3,689,493	4,056,093	3,478,081
Department of the Interior.....	6,238,936	5,475,500	5,480,500	5,659,672	6,831,468	5,636,429
Department of Justice.....	2,375,000	2,510,870	2,495,000	3,891,395	2,490,429	2,508,401
Treasury Department: Claims, judgments, and private relief acts.....	23,917,132	12,369,989	1,620	136,679,394	148,529,238	135,001,620
Total, other general government.....	64,875,343	53,433,209	38,412,120	184,594,520	198,950,766	175,413,475
Total, general government (gross).....	1,337,028,882	1,032,870,031	1,018,833,835	1,444,044,074	1,178,270,474	1,163,695,361
Deduct receipts of public enterprise funds.....				4,985,366	3,515,918	3,705,798
Total, general government (net).....	1,337,028,882	1,032,870,031	1,018,833,835	1,439,058,708	1,174,754,556	1,159,989,563
Enacted or recommended in this document.....	1,337,028,882	1,022,713,531	976,841,835	1,439,058,708	1,167,676,954	1,116,913,665
Proposed for later transmission.....		10,156,500	41,992,000		7,077,602	43,075,898
<b>INTEREST</b>						
<b>651. Interest on the public debt: Treasury Department.....</b>	6,503,581,030	6,525,000,000	6,800,000,000	6,503,581,030	6,525,000,000	6,800,000,000
<b>652. Interest on refunds of receipts:</b>						
General Services Administration.....	573,005	100,000		453,005	100,000	120,000
Treasury Department.....	74,363,186	70,000,000	70,000,000	74,363,186	70,000,000	70,000,000
Total, interest on refunds of receipts.....	74,936,191	70,100,000	70,000,000	74,816,191	70,100,000	70,120,000
<b>653. Interest on uninvested trust funds: Treasury Department.....</b>	4,746,266	4,995,425	5,145,425	4,746,266	4,995,425	5,145,425
Total, interest (enacted or recommended in this document).....	6,583,263,487	6,600,095,425	6,875,145,425	6,583,143,487	6,600,095,425	6,875,265,425
<b>RESERVE FOR CONTINGENCIES.....</b>		100,000,000	200,000,000		75,000,000	150,000,000
<b>ADJUSTMENT TO DAILY TREASURY STATEMENT BASIS.....</b>				-291,922,457		
Total, new obligational authority and expenditures (gross).....	80,235,682,957	60,718,477,383	56,283,406,948	83,207,316,538	82,895,176,828	76,655,270,286
Deduct receipts of public enterprise funds.....				9,224,981,511	11,992,714,538	11,085,130,917
Total, new obligational authority and expenditures (net).....	80,235,682,957	60,718,477,383	56,283,406,948	73,982,335,027	70,902,462,290	65,570,139,369
Enacted or recommended in this document.....	80,235,682,957	59,498,879,121	48,669,114,948	73,982,335,027	70,441,473,688	64,270,197,471
Proposed for later transmission.....		1,219,598,262	7,614,292,000		460,988,602	1,299,941,898

## SPECIAL ANALYSIS C

## EXPLANATION OF THE ESTIMATES OF RECEIPTS

The estimates of receipts from taxes and customs for the current and ensuing fiscal years are prepared in December of each year by the Treasury Department. In general, the estimates of miscellaneous receipts are prepared by the agency depositing the receipts in the Treasury. Estimates in the following discussion are based on existing legislation in accordance with standard budget practice. The estimates assume that business activity, personal income, and corporate profits will continue at substantially their present high levels.

## BUDGET RECEIPTS

Actual budget receipts amounted to \$64,593 million in the fiscal year 1953. Receipts are expected to increase by \$2,846 million in the fiscal year 1954 because of the higher levels of income reflected in receipts for that fiscal year. However, a very sharp decline is estimated for the fiscal year 1955 as tax rate reductions already effective become more fully reflected and because of the effect of additional tax reductions scheduled under present law. Estimated receipts of \$61,470 million in the fiscal year 1955 are \$5,970 million less than the estimate for 1954 and \$3,123 million less than the level of actual receipts in 1953.

The details of the estimated and actual receipts are shown on pages 1114-1117.

## FISCAL YEAR 1954

Actual receipts in the fiscal year 1953 and estimated receipts in the fiscal year 1954 are compared by major sources in the following table:

*Budget receipts (by source)*

[In millions of dollars]

Source	1953 actual	1954 estimate	Increase (+) or decrease (-) 1954 over 1953
Individual income tax.....	32,478.3	33,433.0	+954.7
Corporation income and excess profits taxes.....	21,594.5	22,809.0	+1,214.5
Excise taxes.....	9,942.7	10,038.3	+95.6
Employment taxes.....	4,998.2	5,530.0	+531.8
Estate and gift taxes.....	891.3	955.0	+63.7
Customs.....	612.6	590.0	-22.6
Internal revenue not otherwise classified.....	49.0	-----	-49.0
Miscellaneous receipts.....	1,828.3	2,312.6	+484.3
Total receipts.....	72,394.9	75,667.9	+3,273.0
Deduct:			
(a) Appropriation to Federal old-age and survivors insurance trust fund.....	4,086.3	4,600.0	+513.7
(b) Appropriation to Railroad Retirement account.....	625.1	640.0	+14.9
(c) Refunds of receipts.....	3,119.8	2,988.2	-131.6
Adjustment to daily Treasury statement basis.....	+29.5	-----	-29.5
Budget receipts.....	64,593.3	67,439.7	+2,846.4

Budget receipts in the fiscal year 1954 are estimated to reach an all-time high despite the part-year effects of reduced tax rates affecting receipts, particularly the individual income tax and several excise taxes. All major sources of receipts with the exception of customs are expected to contribute to the increase.

*Individual income tax.*—The yield of the individual income tax is shown in the following table:

[In millions of dollars]

Source	1953 actual	1954 estimate	Increase (+) or decrease (-) 1954 over 1953
Individual income tax:			
Withheld.....	21,171.8	22,284.0	+1,112.2
Not withheld.....	11,306.5	11,149.0	-157.5
Total individual income tax.....	32,478.3	33,433.0	+954.7

Receipts from the income tax withheld are estimated to increase in the fiscal year 1954 since the higher levels of salaries and wages subject to withholding are expected to more than offset the lower withholding rates beginning January 1, 1954. Individual income taxes not withheld are estimated to decline slightly as a result of the effect of the lower tax rates applicable to calendar year 1954 incomes on quarterly declaration payments.

*Corporation income and excess profits taxes.*—Revenue from corporate income and excess profits taxes amounted to \$21,595 million in fiscal year 1953. Collections from this source are expected to increase to \$22,809 million in fiscal year 1954. A major portion of the estimated rise of \$1,215 million is due to the higher level of profits in calendar year 1953 as compared with calendar year 1952.

Corporate income tax receipts in fiscal year 1954 reflect incomes in calendar years 1953 and 1952, while receipts in fiscal year 1953 reflected incomes in calendar years 1952 and 1951. In each instance, the nearer calendar year is the more important in determining the fiscal year receipts because of accelerated corporate tax payments.

*Excise taxes.*—Receipts from this source by major groups are listed in the table below:

[In millions of dollars]

Source	1953 actual	1954 estimate	Increase (+) or decrease (-) 1954 over 1953
Alcohol taxes.....	2,780.9	2,795.0	+14.1
Tobacco taxes.....	1,654.9	1,568.0	-86.9
Stamp taxes.....	90.3	91.0	+.7
Manufacturers' excise taxes.....	2,859.4	2,955.8	+96.4
Retailers' excise taxes.....	495.9	513.0	+17.1
Miscellaneous excise taxes.....	2,061.2	2,115.5	+54.3
Total excise taxes.....	9,942.7	10,038.3	+95.6

Although the rates of certain excise taxes, principally in the alcohol, tobacco, and manufacturers' excise tax groups, are scheduled to be reduced as of April 1, 1954, total excise tax receipts are estimated to increase in 1954, reflecting the higher expenditure levels for taxable goods and services in fiscal year 1954.

Collections from the tobacco excise taxes are expected to decline because of the scheduled termination of the tax increase made by the Revenue Act of 1951, and reduced



cigarette sales. The alcohol and tobacco taxes affected by the scheduled rate decreases are paid by stamp, and collections in 1954 will immediately reflect the April 1, 1954, reduction. Collections from the manufacturers' excise taxes and miscellaneous excise taxes are estimated to increase, although certain of the tax rates in these categories will also be reduced. Because of the timing of payment of the tax liabilities, the effect on collections will lag behind the April 1 effective date of the tax reduction.

*Employment taxes.*—The yields of the employment taxes are shown in the table below:

[In millions of dollars]

Source	1953 actual	1954 estimate	Increase (+) or decrease (—) 1954 over 1953
Federal Insurance Contributions Act.....	4,086.3	4,600.0	+513.7
Federal Unemployment Tax Act.....	275.8	290.0	+14.2
Railroad Retirement Tax Act.....	626.0	640.0	+14.0
Railroad Unemployment Insurance Act.....	10.0	(1)	-10.0
Total employment taxes.....	4,998.2	5,530.0	+531.8
Deduct::			
(a) Appropriation to Federal old-age and survivors insurance trust fund.....	4,086.3	4,600.0	+513.7
(b) Appropriation to Railroad Retirement account.....	625.1	640.0	+14.9
Net employment taxes.....	286.8	290.0	+3.2

<sup>1</sup> Commencing in fiscal year 1954, collections under the Railroad Unemployment Insurance Act will be treated as trust fund receipts.

Employment taxes are estimated to increase in fiscal year 1954 principally as a result of the increased rates under the Federal Insurance Contributions Act effective January 1, 1954. Other taxes show relatively minor changes.

*Estate and gift taxes.*—Receipts from estate and gift taxes are estimated to increase from \$891 million in fiscal year 1953 to \$955 million in fiscal year 1954.

*Customs.*—Customs receipts are estimated to be \$590 million in fiscal year 1954, a decrease of \$23 million from actual receipts of \$613 million in fiscal year 1953.

*Miscellaneous receipts.*—Miscellaneous receipts are estimated to amount to \$2,313 million in fiscal year 1954, an increase of \$484 million over actual receipts of \$1,828 million in fiscal year 1953. This increase arises from a change in accounting for expenditures for foreign currencies which in 1954 are treated as budget items and affect both receipts and expenditures in equivalent amounts.

*Refunds of receipts.*—Refunds of receipts are estimated to be \$2,988 million in fiscal year 1954, a decrease of \$132 million from the actual refunds of \$3,120 million in fiscal year 1953.

#### FISCAL YEAR 1955

Estimated receipts in the fiscal years 1954 and 1955 are compared by major sources in the following table:

#### Budget receipts (by source)

[In millions of dollars]

Source	1954 estimate	1955 estimate	Increase (+) or decrease (—) 1955 over 1954
Individual income tax.....	33,433.0	30,908.0	-2,525.0
Corporation income and excess profits taxes.....	22,809.0	19,694.0	-3,115.0
Excise taxes.....	10,038.3	9,221.3	-817.0
Employment taxes.....	5,530.0	6,301.0	+771.0
Estate and gift taxes.....	955.0	955.0	-----
Customs.....	590.0	590.0	-----
Miscellaneous receipts.....	2,312.6	2,453.0	+140.4
Total receipts.....	75,667.9	70,122.4	-5,545.5
Deduct:			
(a) Appropriation to Federal old-age and survivors insurance trust fund.....	4,600.0	5,369.0	+769.0
(b) Appropriation to Railroad Retirement account.....	640.0	640.0	-----
(c) Refunds of receipts.....	2,988.2	2,643.6	-344.6
Budget receipts.....	67,439.7	61,469.8	-5,969.9

Budget receipts in the fiscal year 1955 are estimated to decline sharply. The decline results primarily from the full year effects of tax rate reductions already operative and the additional impact of further reductions scheduled under present law.

*Individual income tax.*—The yield of the individual income tax is shown in the following table:

[In millions of dollars]

Source	1954 estimate	1955 estimate	Increase (+) or decrease (—) 1955 over 1954
Individual income tax:			
Withheld.....	22,284.0	20,750.0	-1,534.0
Not withheld.....	11,149.0	10,158.0	-991.0
Total individual income tax.....	33,433.0	30,908.0	-2,525.0

Receipts from income tax withheld are estimated to decline in fiscal year 1955 principally as a result of the full year effect of the lower withholding rates effective January 1, 1954. Receipts from income tax not withheld will also decline as a result of the lower tax rates applicable to 1954 incomes.

*Corporation income and excess profits taxes.*—Revenue from corporate income taxation is estimated to amount to \$19,694 million in fiscal year 1955, decreasing \$3,115 million in comparison with receipts in fiscal year 1954. The principal causes of this decline are provisions of existing law which provide for the termination of excess profits taxation on December 31, 1953, and a reduction in the corporate normal tax rate effective April 1, 1954.

*Excise taxes.*—Receipts from this source by major groups are listed in the following table:

[In millions of dollars]

Source	1954 estimate	1955 estimate	Increase (+) or decrease (-) 1955 over 1954
Alcohol taxes.....	2,795.0	2,697.0	-98.0
Tobacco taxes.....	1,568.0	1,464.0	-104.0
Stamp taxes.....	91.0	91.0	-----
Manufacturers' excise taxes.....	2,955.8	2,318.3	-637.5
Retailers' excise taxes.....	513.0	521.0	+8.0
Miscellaneous excise taxes.....	2,115.5	2,130.0	+14.5
Total excise taxes.....	10,038.3	9,221.3	-817.0

Excise tax receipts are expected to decrease substantially in fiscal year 1955 as a result of reductions in tax rates scheduled under present law. In particular, the alcohol, tobacco, and manufacturers' excise tax receipts decline markedly as a result of tax rate decreases. The other major excise tax categories show either no change or slight increases.

*Employment taxes.*—The details of the yields of the employment taxes are shown in the table below:

[In millions of dollars]

Source	1954 estimate	1955 estimate	Increase (+) or decrease (-) 1955 over 1954
Federal Insurance Contributions Act.....	4,600.0	5,369.0	+769.0
Federal Unemployment Tax Act.....	290.0	292.0	+2.0
Railroad Retirement Tax Act.....	640.0	640.0	-----
Total employment taxes.....	5,530.0	6,301.0	+771.0
Deduct:			
(a) Appropriation to Federal old-age and survivors insurance trust fund.....	4,600.0	5,369.0	+769.0
(b) Appropriation to Railroad Retirement account.....	640.0	640.0	-----
Net employment taxes.....	290.0	292.0	+2.0

Employment taxes are estimated to increase in fiscal year 1955 principally as a result of the full year effect of the rate increases under the Federal Insurance Contributions Act effective January 1, 1954. Other employment taxes are relatively unchanged.

*Estate and gift taxes.*—Receipts from estate and gift taxes are estimated to be \$955 million in fiscal year 1955, the same as in fiscal year 1954.

*Customs.*—Customs receipts are estimated to be \$590 million in fiscal year 1955, unchanged from fiscal year 1954.

*Miscellaneous receipts.*—Miscellaneous receipts are estimated to amount to \$2,453 million in fiscal year 1955, an increase of \$140 million over fiscal year 1954 receipts.

*Refunds of receipts.*—Refunds of receipts are estimated to be \$2,644 million in fiscal year 1955. The decrease of \$345 million from fiscal year 1954 results principally from the lower individual income tax withholding rates effective January 1, 1954.

The effects of recommendations for both tax reform and the maintenance of the existing corporate income tax rate and the total revenue from excise taxation are shown separately for individual income, corporation income, and excise taxes. The recommended tax reforms are estimated to involve a loss of \$585 million in revenue from individual income taxes in fiscal 1955. The combined effect of reform and continuation of the tax rate on corporations is estimated to involve a net gain of \$570 million in fiscal 1955 over the amount which would be received in the absence of both reform and rate maintenance. The rescission of the April 1 reductions in excise taxes, as recommended in the tax program, is estimated to involve a gain of \$189 million in fiscal 1954 and \$1,018 million in fiscal 1955.



## SPECIAL ANALYSIS C—Continued

## BUDGET RECEIPTS

## BY SOURCE

Source	1953 actual	1954 estimate	1955 estimate
<b>Individual income taxes:</b>			
Withheld.....	<sup>1</sup> \$21,171,774,832	\$22,284,000,000	\$20,750,000,000
Other.....	<sup>1</sup> 11,306,478,212	11,149,000,000	10,158,000,000
Total individual income taxes under existing legislation.....	32,478,253,044	33,433,000,000	30,908,000,000
Proposed legislation.....			—585,000,000
Total individual income taxes under existing and proposed legislation.....	32,478,253,044	33,433,000,000	30,323,000,000
<b>Corporation income and excess profits taxes:</b>			
Under existing legislation.....	21,594,515,206	22,809,000,000	19,694,000,000
Proposed legislation.....			570,000,000
Total corporation income and excess profits taxes under existing and proposed legislation.....	21,594,515,206	22,809,000,000	20,264,000,000
<b>Excise taxes:</b>			
Alcohol taxes:			
Distilled spirits (domestic and imported).....	1,840,850,659	1,859,000,000	1,807,000,000
Fermented malt liquors.....	762,982,757	798,000,000	756,000,000
Rectification tax.....	32,721,066	28,000,000	28,000,000
Wines (domestic and imported).....	80,534,565	74,000,000	70,000,000
Special taxes in connection with liquor occupations.....	21,486,802	21,500,000	22,000,000
Container stamps.....	13,348,805	13,000,000	13,000,000
Floor stocks taxes on distilled spirits, fermented malt liquors, and wines.....	27,956,121	500,000	
All other.....	1,044,036	1,000,000	1,000,000
Total alcohol taxes.....	2,780,924,811	2,795,000,000	2,697,000,000
Tobacco taxes:			
Cigarettes (small).....	1,586,775,030	1,501,000,000	1,396,000,000
Tobacco (chewing and smoking).....	17,244,296	16,000,000	16,000,000
Cigars (large).....	46,276,904	46,300,000	47,300,000
Snuff.....	3,821,294	4,000,000	4,000,000
Cigarette papers and tubes.....	716,707	600,000	600,000
Floor stocks tax on cigarettes.....	19,459		
All other.....	57,272	100,000	100,000
Total tobacco taxes.....	1,654,910,962	1,568,000,000	1,464,000,000
Stamp taxes:			
Issues of securities, stock and bond transfers, and deeds of conveyance.....	82,640,112	83,000,000	83,000,000
Playing cards.....	7,582,150	7,800,000	7,800,000
Silver hulsion sales or transfers.....	96,967	200,000	200,000
Total stamp taxes.....	90,319,229	91,000,000	91,000,000
<b>Manufacturers' excise taxes:</b>			
Gasoline.....	890,678,570	916,000,000	740,000,000
Lubricating oils.....	73,320,885	75,000,000	76,000,000
Passenger automobiles and motorcycles.....	785,716,352	917,000,000	608,000,000
Automobile trucks, buses, and trailers.....	210,032,385	174,000,000	103,000,000
Parts and accessories for automobiles.....	177,924,217	167,000,000	114,000,000
Tires and inner tubes.....	180,046,704	195,000,000	190,000,000
Electric, gas, and oil appliances.....	113,389,928	106,000,000	106,000,000
Electric light bulbs.....	36,683,748	39,000,000	40,000,000
Radio and television receiving sets, phonographs, phonograph records, and musical instruments.....	178,048,189	153,000,000	135,000,000
Mechanical refrigerators, quick-freeze units, and self-contained air-conditioning units.....	87,424,355	85,000,000	80,000,000
Business and store machines.....	50,258,538	52,000,000	53,000,000
Photographic apparatus.....	29,401,468	30,000,000	30,000,000
Matches.....	8,949,595	9,000,000	9,000,000
Sporting goods.....	11,287,997	11,500,000	8,000,000
Firearms, shells, and cartridges.....	9,919,985	9,900,000	9,900,000
Fishing rods, creels, etc.....	3,423,547	3,425,000	3,425,000
Pistols and revolvers.....	982,809	1,000,000	1,000,000
Fountain and ball point pens; mechanical pencils.....	11,938,188	12,000,000	12,000,000
Total manufacturers' excise taxes.....	2,859,427,460	2,955,825,000	2,318,325,000

<sup>1</sup> Estimated.

## SPECIAL ANALYSIS C—Continued

## BUDGET RECEIPTS—Continued

Source	1953 actual	1954 estimate	1955 estimate
<b>Excise taxes—Continued</b>			
<b>Retailers' excise taxes:</b>			
Jewelry.....	\$234,614,142	\$241,000,000	\$245,000,000
Furs.....	49,891,459	50,000,000	50,000,000
Toilet preparations.....	115,667,142	121,000,000	123,000,000
Luggage, bandbags, wallets, etc.....	95,744,370	101,000,000	103,000,000
<b>Total retailers' excise taxes.....</b>	<b>495,917,113</b>	<b>513,000,000</b>	<b>521,000,000</b>
<b>Miscellaneous excise taxes:</b>			
Telephone, telegraph, radio and cable facilities, leased wires, etc.....	417,568,372	423,000,000	423,000,000
Local telephone service.....	357,981,014	387,000,000	403,000,000
Transportation of oil by pipeline.....	28,377,560	29,000,000	30,000,000
Transportation of persons.....	287,404,910	290,000,000	295,000,000
Transportation of property.....	419,517,789	435,000,000	435,000,000
Diesel fuel used in highway vehicles.....	15,090,950	15,500,000	12,000,000
Admissions, exclusive of cabarets, roof gardens, etc.....	312,830,598	305,000,000	300,000,000
Cabarets, roof gardens, etc.....	46,691,085	48,000,000	48,000,000
Wagering taxes, including occupational tax.....	10,502,198	11,000,000	11,000,000
Club dues and initiation fees.....	36,829,017	40,000,000	40,000,000
Leases of safe deposit boxes.....	10,813,872	12,000,000	13,000,000
Coconut and other vegetable oils processed.....	17,957,161	18,000,000	18,000,000
Sugar tax.....	78,161,259	80,000,000	80,000,000
Coin-operated amusement and gaming devices.....	16,504,633	17,000,000	17,000,000
Bowling alleys and billiard and pool tables.....	3,410,594	3,500,000	3,500,000
All other miscellaneous excise taxes.....	1,589,275	1,500,000	1,500,000
<b>Total miscellaneous excise taxes.....</b>	<b>2,061,230,287</b>	<b>2,115,500,000</b>	<b>2,130,000,000</b>
<b>Total excise taxes under existing legislation.....</b>	<b>9,942,729,862</b>	<b>10,038,325,000</b>	<b>9,221,325,000</b>
<b>Proposed legislation.....</b>		189,000,000	1,018,000,000
<b>Total excise taxes under existing and proposed legislation.....</b>	<b>9,942,729,862</b>	<b>10,227,325,000</b>	<b>10,239,325,000</b>
<b>Employment taxes:</b>			
Federal Insurance Contributions Act.....	14,086,293,392	4,600,000,000	5,369,000,000
Federal Unemployment Tax Act.....	275,824,548	290,000,000	292,000,000
Railroad Retirement Tax Act.....	626,049,756	640,000,000	640,000,000
Railroad Unemployment Insurance Act.....	10,023,916		
<b>Total employment taxes under existing legislation.....</b>	<b>4,998,191,612</b>	<b>5,530,000,000</b>	<b>6,301,000,000</b>
<b>Proposed legislation:</b>			
Federal Insurance Contributions Act.....			100,000,000
Federal Unemployment Tax Act.....			16,000,000
<b>Total proposed legislation.....</b>			<b>116,000,000</b>
<b>Total employment taxes under existing and proposed legislation.....</b>	<b>4,998,191,612</b>	<b>5,530,000,000</b>	<b>6,417,000,000</b>
<b>Estate and gift taxes.....</b>	<b>891,284,437</b>	<b>955,000,000</b>	<b>955,000,000</b>
<b>Customs.....</b>	<b>612,619,279</b>	<b>590,000,000</b>	<b>590,000,000</b>
<b>Internal revenue not otherwise classified.....</b>	<b>49,047,806</b>		
<b>Miscellaneous receipts:</b>			
Miscellaneous taxes.....	20,093,334	18,113,340	18,111,040
Seigniorage.....	55,845,653	73,269,077	50,300,000
Coinage.....	654,739	645,430	645,430
<b>Fees for permits and licenses:</b>			
Admission permits and fees.....	3,278,005	3,649,175	4,051,379
Business concessions.....	5,931,321	5,947,303	4,390,673
Immigration, passport, and consular fees.....	15,537,679	14,411,000	14,411,000
Patent and copyright fees.....	6,471,837	6,587,734	6,609,467
Registration and filing fees.....	2,189,010	2,144,524	2,997,400
Miscellaneous fees for permits and licenses.....	11,616,604	11,087,884	11,258,745
<b>Total fees for permits and licenses.....</b>	<b>45,024,456</b>	<b>43,827,620</b>	<b>43,718,664</b>

<sup>1</sup> Estimated.



## SPECIAL ANALYSIS C—Continued

## BUDGET RECEIPTS—Continued

Source	1953 actual	1954 estimate	1955 estimate
<b>Miscellaneous receipts—Continued</b>			
Fines, penalties, and forfeitures:			
Fines, penalties, and forfeitures, agricultural laws.....	\$5,190,784	\$4,271,799	\$5,224,000
Fines, penalties, and forfeitures, emergency war laws.....	1,329,831	610,000	290,000
Fines, penalties, and forfeitures, immigration and labor laws.....	465,870	445,000	445,000
Fines, penalties, and forfeitures, customs, commerce, and antitrust laws.....	1,335,970	1,254,700	1,254,700
Fines, penalties, and forfeitures, narcotic, prohibition, and alcohol laws.....	77,549	67,200	67,200
Forfeitures, unclaimed money and property.....	1,771,937	1,100,825	1,075,825
Miscellaneous fines, penalties, and forfeitures.....	5,885,415	2,548,250	2,547,750
<b>Total fines, penalties, and forfeitures.....</b>	<b>16,057,356</b>	<b>10,297,774</b>	<b>10,904,475</b>
Gifts and contributions:			
Contributions to "conscience fund".....	38,804	67,040	67,040
Gifts to the United States.....	217,422	162,735	162,735
<b>Total gifts and contributions.....</b>	<b>256,226</b>	<b>229,775</b>	<b>229,775</b>
Interest:			
Interest on loans, Government corporations and enterprises.....	157,475,842	250,196,304	242,558,225
Interest on loans, States, municipalities, and other public bodies.....	55,115	98,935	4,000
Interest on loans to individuals and private organizations.....	41,352,243	46,614,394	51,627,425
Interest on loans, foreign governments.....	83,760,027	113,281,469	118,146,476
Miscellaneous interest collections.....	52,576,110	57,704,714	58,422,460
<b>Total interest.....</b>	<b>335,219,337</b>	<b>467,895,816</b>	<b>470,758,586</b>
Dividends and other earnings:			
Dividends and earnings from Government corporations and enterprises.....	981,111	1,941,607	755,100
Earnings from Government-sponsored enterprises.....	297,715,425	350,000,000	350,000,000
Miscellaneous dividends and earnings.....	71,749	67,475	64,675
<b>Total dividends and other earnings.....</b>	<b>298,768,285</b>	<b>352,009,082</b>	<b>350,819,775</b>
Rents:			
Rent of land.....	8,833,419	9,090,042	9,466,975
Rent of buildings and grounds.....	22,279,138	22,158,055	22,279,021
Rent of equipment and facilities.....	25,770,171	29,324,873	29,438,423
<b>Total rents.....</b>	<b>56,882,728</b>	<b>60,572,970</b>	<b>61,184,419</b>
Royalties:			
Royalties on minerals and other natural resources.....	50,168,183	55,781,050	57,407,250
Royalties on patents and copyrights.....	27,080	5,350	1,350
<b>Total royalties.....</b>	<b>50,195,263</b>	<b>55,786,400</b>	<b>57,408,600</b>
Sale of products:			
Sale of agricultural products, livestock, and livestock products.....	371,823	345,100	340,100
Sale of timber, wildlife, and other natural land products.....	95,144,736	93,932,486	93,780,809
Sale of minerals and mineral products.....	9,658,883	5,642,133	7,744,133
Sale of power and other utilities.....	96,749,289	111,965,785	128,818,444
Sale of publications and reproductions.....	4,917,949	4,831,882	5,057,682
Sale of scrap, salvage, and waste (byproducts).....	5,374,679	5,151,430	5,205,820
Sale of miscellaneous products.....	8,668,544	6,886,283	6,863,583
<b>Total sale of products.....</b>	<b>220,885,903</b>	<b>228,755,099</b>	<b>247,810,571</b>
Fees and other charges for services:			
Fees and other charges for accounting, legal, and judicial services.....	6,609,391	6,031,000	6,037,200
Fees and other charges for communication and transportation services.....	5,148,199	4,967,230	4,762,280
Fees and other charges for quarters, subsistence, laundry, and health services.....	6,220,533	1,379,640	3,438,689
Fees and other charges for testing, inspection, and grading services.....	2,915,670	2,075,605	2,061,305
Fees and other charges for administrative, professional, and scientific services.....	702,527	785,233	399,285
Fees and other charges for miscellaneous services.....	10,379,174	11,670,820	11,758,511
<b>Total fees and other charges for services.....</b>	<b>31,975,494</b>	<b>26,909,528</b>	<b>28,457,270</b>
Sale of Government property:			
Sale of public lands and buildings.....	7,320,022	4,861,255	4,829,286
Sale of surplus Government property.....	171,102,020	202,359,688	151,515,002
Sale of other Government property.....	53,912,952	64,768,402	69,957,730
<b>Total sale of Government property.....</b>	<b>232,334,994</b>	<b>271,989,345</b>	<b>226,302,018</b>

## SPECIAL ANALYSIS C—Continued

## BUDGET RECEIPTS—Continued

Source	1953 actual	1954 estimate	1955 estimate
<b>Miscellaneous receipts—Continued</b>			
Realization upon loans and investments:			
Repayments of capital investment, Government-owned or sponsored corporations and enterprises.....	\$521,097		
Repayment of loans and advances, Government corporations and enterprises.....	3,563,508	\$3,165,000	\$3,320,000
Repayments of loans, foreign governments.....	47,518,287	50,873,634	51,882,983
Repayment of loans, States, municipalities, and other public bodies.....	4,342,992	4,580,618	262,000
Repayment of loans, individuals, and private organizations.....	159,344,466	178,823,588	198,411,722
Proceeds from sale of securities, stocks, and collateral.....	9,469,558	1,111,000	1,056,000
Repayment upon other loans and investments.....	2,216	1,600	1,350
Total realization upon loans and investments.....	224,762,124	238,555,440	254,934,055
Recoveries and refunds:			
Compensation for Government property lost or damaged.....	10,979,768	8,555,699	8,555,550
War reparations.....	857,188	5,578,000	2,358,000
Recoveries of excess profits and costs.....	40,939,639	26,157,950	3,956,950
Recoveries under international programs.....	32,062,577	292,560,000	488,080,000
Miscellaneous recoveries and refunds.....	154,494,009	130,906,676	128,510,463
Total recoveries and refunds.....	239,333,181	463,758,325	631,460,963
Total miscellaneous receipts.....	1,828,289,073	2,312,615,021	2,453,045,641
Total receipts under existing and proposed legislation.....	72,394,930,319	75,856,940,021	71,241,370,641
<b>Deduct:</b>			
Appropriation to Federal old-age and survivors insurance trust fund:			
Existing legislation.....	4,086,293,392	4,600,000,000	5,369,000,000
Proposed legislation.....			100,000,000
Appropriation to Railroad Retirement Account.....	625,085,205	640,000,000	640,000,000
Refunds of receipts:			
Existing legislation.....	3,119,833,507	2,988,200,000	2,643,580,000
Proposed legislation.....			—153,000,000
Adjustment to daily Treasury statement basis.....	+29,533,143		
Total budget receipts.....	64,598,251,358	67,628,740,021	62,641,790,641



## SPECIAL ANALYSIS D

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES

This analysis appraises Government expenditures in terms of the extent to which those made in a given fiscal year will yield major benefits over a period of years. It distinguishes expenditures for assets and other developmental purposes, which yield benefits beyond the current fiscal year, from expenditures, which in the main, yield benefits within the current year. Like the functional classification in special analysis B and the agency classification in part II of the budget it is designed to contribute to a general understanding of the budget and of budgetary objectives and problems.

Expenditures of an investment type, that is, those yielding benefits over a period of years, are shown in two major categories—one for the acquisition and improvement of assets by the Federal Government and the other for other broad developmental purposes such as additions to State, local, and private assets and expenditures for research, education, and health, which contribute to the physical productivity of the economy or increase the technical skills and knowledge of individuals. Expenditures which yield benefits currently are also grouped in two major categories—one for aids and services to special groups and the other for current operating expenses.

This analysis is not a capital budget. Such a budget as prepared by some foreign governments and State and local governmental units usually requires separate financing for major capital outlays, and they may be excluded or amortized over a period of years in considering the balancing of the budget. In the Federal budget, investment items are usually financed in the same way as the rest of the budget and they are not treated separately in deriving the budget surplus or deficit.

A capital budget would also require allowance for depreciation and obsolescence on existing physical assets, allowance for anticipated losses on loan programs, recognition of any assets given away, and reporting of any sales of assets at a figure different from their book value in order to determine the net addition or reduction in Federal assets. This analysis makes no provision for such depreciation. Hence, it does not indicate the extent to which increases in investment are offset by depreciation.

On the basis of private accounting practices, investment expenditures would be confined to increases in claims or assets owned by the Federal Government but would cover all such assets including office equipment and motor vehicles. With respect to investments in Federal assets this analysis is limited to major equipment purchases such as military aircraft and ships. On the other hand, this analysis is broader than private accounting practice since expenditures are classified in terms of their effect on the economy as a whole; hence, it includes also as the second major type of investment expenditures, additions to State, local, or private assets or other Federal expenditures whose major objective is to improve the productivity of the Nation.

The great bulk of Federal expenditures for loans, for investment in commodity inventories, and for construc-

tion of powerplants are ultimately returned to the Treasury. Many additional collections arise from licenses and fees charged for various special services. Part of the operating expenditures of certain programs is financed by the appropriation of special receipts from these programs. In the main, however, Federal expenditures for investment-type programs, other than loans, are not expected to be recovered by specific types of future Treasury revenues. Developmental expenditures are expected, by increasing the wealth and income of the Nation, to expand indirectly Federal tax revenues over a long period of years.

In addition to the classifications of expenditures already mentioned, this analysis breaks down expenditures, where appropriate, between outlays for national security (as defined in special analysis B) and civil expenditures. Since expenditures for national security represent such a large proportion of total budget outlays, such a distinction helps to appraise the relative significance of outlays in each category. For example, expenditures for fixed military assets and other developmental purposes are not usually intended to achieve the same broad economic objectives as civil outlays for the same purposes.

Separate classifications are also shown, where appropriate, for expenditures for direct Federal programs, grants-in-aid or loans to State and local governments, and payments to trust funds. Special analysis G gives details on Federal aid to State and local governments and contains a table summarizing these aids according to the major categories of this analysis.

In previous budgets, expenditures of public enterprise funds shown in this analysis were for the most part on a net basis, i. e., gross expenditures less receipts from current operations of public enterprises. This year, for the first time, the analysis presents expenditures of these funds on a gross basis as well, in order to indicate the full scope of their operations. The receipts totals indicated in the analysis are only those which are deposited in the revolving funds of such enterprises. They do not reflect the receipts arising out of programs not financed on a revolving fund basis.

## SUMMARY

Expenditures for the major categories of this analysis are summarized in table 1, which shows gross expenditures and receipts for both the national security and civil components. About \$24.2 billion of estimated net budget expenditures for the fiscal year 1955 represent outlays for the acquisition and improvement of assets and for other developmental purposes. Most of these net outlays, \$20.5 billion, are for national-security purposes. Current expenses for aids and special services, most of which are for civil programs, are estimated at \$12.5 billion, net, for fiscal year 1955. The remainder, \$28.9 billion, represents expenditures for other services and for current operating expenses, mostly for programs related to national security.

TABLE 1.—Summary of investment, operating, and other budget expenditures

[Fiscal years. In millions]

	1953 actual			1954 estimate			1955 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Additions to Federal assets:									
Civil.....	\$10,987	\$6,315	\$4,672	\$11,064	\$7,903	\$3,161	\$10,263	\$8,189	\$2,074
National security.....	21,438		21,438	21,613		21,613	18,919		18,919
Expenditures for other developmental purposes:									
Civil.....	1,786	60	1,726	1,759	18	1,741	1,647	34	1,613
National security.....	1,617		1,617	1,633		1,633	1,564		1,564
Current expenses for aids and special services:									
Civil.....	9,713	993	8,720	9,801	1,049	8,752	8,965	762	8,203
National security.....	3,954		3,954	4,200		4,200	4,275		4,275
Other services and current operating expenses:									
Civil.....	11,283	2,401	8,882	11,055	2,602	8,453	11,661	2,992	8,669
National security.....	23,265		23,265	21,274		21,274	20,103		20,103
Reserve for contingencies.....				75		75	150		150
Daily Treasury statement and other adjustments.....	-289	+3	-292	-11	-11		+3	+3	
Total.....	183,754	19,772	73,982	182,463	111,561	70,902	177,550	111,980	65,570

<sup>1</sup> Gross expenditures and applicable receipts both include acquisition of collateral on Commodity Credit Corporation loans amounting to \$891 in 1953, \$1,214 in 1954, and \$1,357 in 1955, not shown in table 1 or special analysis B. They exclude private bank loans guaranteed by the Commodity Credit Corporation and Export-Import Bank amounting to \$344 in 1953, \$1,646 in 1954, and \$462 in 1955, shown in table 1 and special analysis B. None of these transactions affect net budget expenditures.

The estimated reduction of \$5.3 billion in net budget expenditures from 1954 to 1955 results entirely from the following:

1. A reduction of \$1.2 billion in investment-type expenditures for civil programs, largely as a result of decreases in loans and commodity inventories.

2. A reduction of \$2.8 billion in investment-type expenditures for national security purposes—predominantly for purchases of major equipment.

3. A net decrease of \$0.5 billion in current expenses for aids.

4. A net increase of \$0.2 billion in other current expenses for civil programs—about equal to the estimated rise in interest payments.

5. A net decrease of \$1.2 billion in current operating expenditures for national security purposes, reflecting for the most part decreases in expenditures for national security operations and administration.

The major categories of the special analysis are explained in the following sections:

## ADDITIONS TO FEDERAL ASSETS

Expenditures in this category represent direct investment by the Federal Government in loans and federally owned physical assets.

Net expenditures for additions to assets are estimated to total \$21.0 billion in the fiscal year 1955, \$3.8 billion below 1954. About 90 percent of total net expenditures for assets are for national security purposes, mostly for military equipment.

**Loans.**—Direct loans of Federal agencies consist mainly of loans to farmers and home owners, to public and private agencies serving these two groups, and to private business and foreign governments. The Congress has provided that most loan programs operate on a revolving basis. However, the loans of the Rural Electrification Administration and the Farmers' Home Administration and a few inactive or smaller loan programs are by law on a non-revolving basis, with collections on outstanding loans going directly to miscellaneous receipts of the Treasury. In table 2 loans made through revolving funds are included on both a gross and a net basis. Since net loans reflect

TABLE 2.—Additions to Federal assets

[Fiscal years. In millions]

	1953 actual			1954 estimate			1955 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Loans.....	\$6,775	\$4,994	\$1,781	\$6,639	\$6,452	\$187	\$6,673	\$6,689	-\$16
Public works—sites and direct constructions:									
Civil.....	1,423		1,423	1,291		1,291	1,132		1,132
National security.....	2,986		2,986	2,958		2,958	2,883		2,883
Major commodity inventories—net change:									
Civil.....	2,569	1,304	1,265	2,946	1,399	1,547	2,413	1,416	997
National security.....	846		846	695		695	537		537
Major equipment:									
Civil.....	185	( <sup>1</sup> )	185	129		129	23	3	20
National security.....	17,144		17,144	17,298		17,298	14,570		14,570
Other physical assets—acquisition and improvement:									
Civil.....	35	17	18	59	52	7	22	81	-59
National security.....	462		462	662		662	929		929
Total addition to Federal assets.....	32,425	6,315	26,110	32,677	7,903	24,774	29,182	8,189	20,993

<sup>1</sup> Less than \$ 500,000.



only a fraction of total Government-loan activity, gross disbursements more accurately measure the total loan operations of the Government.

In the fiscal year 1955, gross disbursements for loans are estimated to increase by \$34 million from 1954. Repayments and other receipts from loans are estimated to increase by \$237 million. As a result net budget expenditures for loans are estimated to decline by \$203 million between the fiscal years 1954 and 1955.

Net loans for agriculture and agricultural resources, primarily price support and grain storage loans, are estimated to be \$244 million higher than in 1954. Net loans to foreign countries and housing loans to private borrowers, however, are estimated to decline by \$273 and \$209 million, respectively. Most other major loan programs show small declines in net expenditures from 1954. A detailed summary of loans is contained in special analysis E on Federal credit programs. In that analysis loan expenditures are shown net of all receipts including collections going directly into miscellaneous receipts of the Treasury.

*Public works—sites and direct construction.*—This includes all Federal expenditures for sites and federally constructed civil public works projects, military installations, and other national security facilities which are owned by the United States, including those outside the continental United States. A detailed summary of these and related programs is given in special analysis F.

Total estimated expenditures for public works of \$4.0 billion in 1955 represent a decrease of \$234 million from the 1954 total. About 72 percent of these expenditures for 1955 will be direct public works for national security purposes. Expenditures for construction of atomic energy facilities for production of fissionable material and atomic weapons and Air Force construction are estimated to decline slightly. Major civil public works expenditures, mainly for water resources and related developments and veterans' hospitals, are estimated to decrease from \$1,291 million in 1954 to \$1,132 million in 1955.

*Major commodity inventories.*—Gross purchases of commodities held for resale or in stockpiles are expected to total \$2,950 million in fiscal year 1955, exceeding sales by \$1,534 million. Total purchases include transportation costs, administrative expenses, and storage costs where these are normally included in costs of goods sold.

Net expenditures for stockpiling strategic and critical materials are estimated at \$537 million in fiscal year 1955. By June 30, 1955, the stockpile inventory will reach an estimated \$5.5 billion in June 30, 1953, prices. Net acquisition of farm commodities by the Commodity Credit Corporation under its farm price-support program is estimated at \$927 million in fiscal year 1955. The value of the Corporation's inventory of commodities as of June 30, 1955, is estimated to total \$4.2 billion.

*Major equipment.*—Expenditures for major equipment are expected to decline from \$17.4 billion in 1954 to \$14.6 billion in 1955. These expenditures represent predominantly purchases of aircraft, naval vessels, tanks, and other major equipment needs of the military services, as well as construction of merchant ships. Routine purchases of office equipment, automobiles, furniture and fixtures, etc., are classified as current operating expenses.

*Other physical assets—acquisition and improvement.*—Expenditures for other physical assets will continue to rise in 1955, mainly because of the expansion in assets (other than research and development plant) of the Atomic Energy Commission. This subcategory also includes reforestation and range improvements and real property

purchased or acquired as collateral on defaulted loans. In 1955, increased receipts are anticipated from disposition of war housing built during World War II and other public housing.

#### EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES

This category includes Federal expenditures which add to the physical productivity of the economy over a period of years but which do not directly add to Federal assets. Programs which yield the bulk of their benefits immediately are excluded, even though they may also contribute to the longer run economic development of the Nation.

TABLE 3.—Expenditures for other developmental purposes

[Fiscal years. In millions]

	Expenditures		
	1953 actual	1954 estimate	1955 estimate
Gross expenditures:			
State and local physical assets.....	\$746	\$758	\$708
Private physical assets.....	435	384	318
Education, training, and health.....	319	324	310
Research and development:			
Civil.....	232	244	265
National security.....	1,616	1,632	1,563
Engineering and natural resource surveys.....	55	50	47
Total.....	3,408	3,392	3,211
Deduct applicable receipts.....	60	18	34
Net expenditures for other developmental purposes.....	3,343	3,374	3,177

*State and local physical assets.*—In fiscal year 1955, the Federal Government will spend an estimated \$708 million to help pay for physical assets to be acquired by State and local governments. These outlays, mostly for grants-in-aid, such as the Federal aid highway program and the school construction program for defense affected areas, are \$50 million lower than in the preceding year.

*Private physical assets.*—Federal expenditures which directly add to privately owned physical assets consist predominantly of payments for conservation and improvement of private farms and grants to States for private hospitals. Expenditures for conservation and improvement of private farms are estimated to decline moderately, while grants to States for private hospitals are expected to rise slightly.

*Education, training, and health.*—These consist of Federal expenditures to promote the knowledge, skills, longevity and physical vigor of the population, mostly through grants to State and local governments. Included are school-operating aid to school districts especially affected by the defense effort, and grants to States for programs of vocational education, vocational rehabilitation, maternal and child welfare, public health, and agricultural extension work. Closely related are several major items classified in other categories—principally the veterans' education program, which is classified as aids and special services for veterans; the operating expenses of hospital services and medical care programs; and the training of military personnel or other persons in Government service.

For fiscal year 1955, expenditures for these purposes are estimated at \$310 million, slightly below fiscal year 1954.

*Research and development.*—The Federal Government contributes, in part, to technological and economic progress through its varied programs of research and development. Net expenditures for such programs in



the fiscal year 1955 are estimated at \$1,825 million, \$48 million below 1954. About 86 percent of this total is for military research and development, including the work of the Department of Defense and the Atomic Energy Commission.

Definitions of research and development, in this analysis, are those used in special analysis H on page 1157, and agree generally with those adopted by the National Science Foundation for its summaries of Federal Government activities in this general area.

*Engineering and natural resource surveys.*—Several Federal agencies make relatively small expenditures for investigations and surveys for public works programs, topographic mapping, land classification, forest investigations, and other basic surveys. The largest programs of this type are administered by the Geological Survey, the Bureau of Reclamation, and the Coast and Geodetic Survey.

#### CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES

This category covers current expenditures for programs which primarily provide aids or special services to one or more specific groups. It also includes administrative expenses, and other operating expenses and operating receipts, of loan programs and of investments in physical assets which benefit specific groups, as well as maintenance of any physical assets providing aids and special services. It excludes investment-type expenditures (included in the preceding categories) which provide substantial benefits to various economic groups, e. g., loans, public works, and research programs. These various groups also receive benefits from special Federal tax provisions and other nonexpenditure aids, which, of course, are not included in this analysis.

Most expenditures in this category are for civil programs which are estimated at \$8.2 billion, net, for the fiscal year 1955, \$0.5 billion below fiscal year 1954.

*Agriculture.*—Current expenses predominantly for the benefit of farmers consist chiefly of losses realized on the price support program, expenses of the International Wheat Agreement, Sugar Act payments, payments for removal of surplus commodities, and administrative expenses of loan programs and other aids to farmers. Other major expenditures for aids to farmers classified elsewhere in this analysis are provided through loans, conservation

payments, reclamation aids and other developmental aids. Farmers also benefit indirectly from the school lunch program, international aids, and other expenditures which are intended primarily to benefit other groups.

In fiscal year 1955, current expenses for programs benefiting farmers are estimated at \$549 million, net, \$60 million below 1954.

*Business.*—The major types of current Federal expenditures benefiting private business are the postal deficit, which arises from second-, third-, and fourth-class mail; maritime operating subsidies and navigation and other aids to the shipping industry; various aids to air navigation; and the losses accruing on defense production aids. Largely as a result of the reduction in the postal deficit, net expenditures for these purposes in the fiscal year 1955 are expected to decline to \$609 million, \$309 million below fiscal year 1954.

*Labor.*—The largest current Federal expenditure benefiting labor is for the Federal-State program of unemployment insurance and public employment offices, in which the Federal Department of Labor makes grants to the States to cover the full cost of administering these services. Also in this category are the mine safety work of the Bureau of Mines, and some administrative expenses of the Department of Labor. These expenditures for fiscal year 1955 are expected to remain at virtually the same level as in the preceding 2 fiscal years.

*Homeowners and tenants.*—Since loans and other financial aids to homeowners and tenants are classified in this analysis as investment-type expenditures, current expenditures consist chiefly of grants to local authorities for low-rent public housing and for slum clearance and redevelopment. These are increasing, as the local agencies complete the projects and become eligible for the grants. However, receipts from insurance of mortgages and savings and loan share accounts, as well as from mortgage purchase and other housing loan programs, exceed gross expenditures for housing in all 3 years.

*Veterans.*—Current net expenditures for aids to veterans in the fiscal year 1955 are estimated at \$4.1 billion, slightly above 1954. Compensation and pension benefits account for more than half of the total estimated for fiscal year 1955. The monthly compensation payments are to veterans with service-connected disabilities and to the families of deceased veterans. Pensions are paid in non-service-connected cases. Hospital and medical care is pro-

TABLE 4.—Current expenses for aids and special services

[Fiscal years. In millions]

	1953 actual			1954 estimate			1955 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Agriculture.....	\$523	\$218	\$305	\$546	\$237	\$609	\$669	\$120	\$549
Business.....	1,216	282	934	1,205	287	918	762	153	609
Labor.....	215	.....	215	204	.....	204	216	.....	216
Homeowners and tenants.....	255	378	-123	276	376	-100	302	350	-48
Veterans.....	4,214	36	4,178	4,116	59	4,057	4,143	48	4,095
International aids:									
Civil.....	1,783	78	1,705	1,481	89	1,392	1,216	90	1,126
National security.....	3,954	.....	3,954	4,200	.....	4,200	4,275	.....	4,275
Other aids.....	1,507	1	1,506	1,673	1	1,672	1,657	1	1,656
Total, current expenses for aids and special services.....	13,667	993	12,674	14,001	1,049	12,952	13,240	762	12,478



vided for veterans in a Government-operated system of hospitals, through contracts with other institutions, and through outpatient services.

Other important current aids to veterans are readjustment benefits for veterans of World War II and the Korean conflict, most of which are for educational purposes. Included are outlays for education and training of veterans who enroll in schools and colleges, or vocational training on the job or farm; losses under the loan-guarantee programs; and veterans unemployment allowances.

*International aids.*—In fiscal year 1955, \$4,275 million, or 79 percent of total expenditures for international aids is for the mutual military program. Virtually all expenditures under the mutual military program will be to furnish military equipment and training to friendly nations. Most of the remainder of expenditures for international aids is for economic and technical assistance, \$946 million; assistance to the Republic of Korea, \$100 million; and contributions to voluntary international programs, \$70 million.

*Other aids and special services.*—Many other Federal programs involve current expenditures for aids and special services providing major benefits for more than one of the above groups or for other groups. The most important of such expenditures is grants to help provide public assistance to those in need, including the aged, the blind, the permanently and totally disabled, and dependent children. Other major programs include grants to help finance low-priced school lunches, hospital operation and medical care by the Public Health Service, and increasing expenditures for various aids to Indians. These expenditures in the fiscal year 1955 are expected to decline slightly from 1954.

#### OTHER SERVICES AND CURRENT OPERATING EXPENSES

All other expenditures for Government services or for current operations are included in this major category. In the main, the activities are the traditional Government operations of protecting against foreign aggression, conducting foreign affairs, making and enforcing laws, collecting taxes, managing and paying interest on the public debt, providing for recruitment and retirement of civilian employees, and operating the postal service.

Current expenditures for national security, mostly for operation and maintenance of military facilities, and pay and subsistence of military personnel, dominate this category. The largest component of civil expenditures is for interest. All other current civil expenses in 1955 will total about \$1.8 billion, net, or about 3 percent below 1954.

*Repair, maintenance, and operation of physical assets excluding special services.*—Expenditures to repair, maintain, and operate physical assets include chiefly maintenance and operation of atomic energy facilities and mili-

tary structures, equipment, and facilities; general-purpose public buildings; as well as operation of certain public assets such as flood-control reservoirs, irrigation works, power facilities, public lands, and national forests.

Net expenditures for civil repair, maintenance and operation are estimated at \$206 million in the fiscal year 1955, slightly below fiscal year 1954.

Outlays for the operation and maintenance of military structures, equipment and facilities of the Department of Defense and the Atomic Energy Commission are estimated at \$8.8 billion, two-tenths billion dollars below 1954.

*Regulation and control.*—Most of the major departments and agencies and many smaller agencies have regulatory or law-enforcement responsibilities. These include not only the normal law-enforcement responsibilities of the Department of Justice, the Treasury, and the Judiciary but also the operations of the regulatory agencies. Expenditures for regulation and control are estimated to decline to \$395 million in 1955, \$19 million lower than in 1954, primarily because of the removal of emergency controls over business.

*Operation and maintenance of the postal system.*—Since the postal deficit is included under current expenses for aids and special services, this category includes all remaining expenditures and receipts, amounting to \$2,686 million in 1955.

*Operation and administration of other civil activities.*—All other governmentwide or multiple-purpose expenditures for civil programs will decrease from \$1,210 million in 1954 to \$1,193 million in 1955. These consist of expenditures (other than international aids) for the conduct of foreign affairs; expenditures for tax collection, borrowing, and other financing activities; expenditures for consideration and enactment of legislation, central procurement, record-keeping, payment of claims, and various other miscellaneous direct Federal programs not elsewhere classified. In addition, Government payments for retirement of Federal employees and miscellaneous shared revenues and grants-in-aid are included in this category.

*Other national security operation and administration.*—Expenditures in this category are expected to drop from the 1954 level of \$12.2 billion to \$11.3 billion in fiscal year 1955. They represent predominantly pay and subsistence for military personnel together with smaller but substantial expenditures for civilian components, industrial mobilization, and various departmentwide activities.

*Interest.*—These expenditures include interest on the public debt as well as interest on refunds of receipts and on uninvested trust accounts. Because of a somewhat higher public debt and higher average interest rates expenditures for interest will be \$275 million higher in fiscal year 1955 than in 1954.

TABLE 5.—Other services and current operating expenses

[Fiscal years. In millions]

	1953 actual			1954 estimate			1955 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Repair, maintenance, and operation of physical assets:									
Civil.....	\$582	\$284	\$298	\$496	\$267	\$229	\$512	\$306	\$206
National security.....	10,383	-----	10,383	9,027	-----	9,027	8,815	-----	8,815
Regulation and control.....	471	-----	471	414	-----	414	395	-----	395
Operation and administration of other civil activities.....	1,531	1	1,530	1,210	-----	1,210	1,193	-----	1,193
Other national security operation and administration.....	12,882	-----	12,882	12,247	-----	12,247	11,288	-----	11,288
Interest.....	6,583	-----	6,583	6,600	-----	6,600	6,875	-----	6,875
Operation and maintenance of the postal system excluding the postal deficit.....	2,116	2,116	-----	2,335	2,335	-----	2,686	2,686	-----
Total, other services and current operating expenses.....	34,548	2,401	32,147	32,329	2,602	29,727	31,764	2,992	28,772

## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation

[In millions]

	1953 actual	1954 estimate	1955 estimate		1953 actual	1954 estimate	1955 estimate
<b>ADDITIONS TO FEDERAL ASSETS</b>				<b>ADDITIONS TO FEDERAL ASSETS—Continued</b>			
<b>Loans:</b>				<b>Loans—Continued</b>			
International affairs and finance:				Housing and community development—Continued			
Funds appropriated to the President:				Total housing and community development			
Mutual security program.....	\$76	\$40	\$9	(gross).....	\$1,747	\$1,902	\$1,511
India food aid.....	21			Deduct receipts of public enterprise funds.....	1,169	1,858	1,729
Export-Import Bank of Washington <sup>1</sup> .....	519	433	250				
Other agencies.....	3			Total housing and community development			
				(net).....	578	44	* 218
Total international affairs and finance (gross).....	619	473	259	Agriculture and agricultural resources:			
Deduct receipts of public enterprise funds.....	358	298	357	Farm Credit Administration.....			
					1,907	1,979	2,133
Total international affairs and finance (net).....	261	175	* 98	Department of Agriculture:			
				Commodity Credit Corporation:			
Housing and community development:				Price support and grain storage loans <sup>2</sup> .....			
To private borrowers:					1,789	1,524	2,106
Housing and Home Finance Agency:				Disaster loans.....			
Federal National Mortgage Association.....	586	509	390		44	120	62
Housing loans to educational institutions.....	14	36	59	Farmers' Home Administration, excluding farm			
Federal Housing Administration.....	38	20	50	housing.....			
Other.....	11	13			147	156	146
Veterans Administration.....	89	101	72	Rural Electrification Administration.....			
Treasury Department: Reconstruction Finance					232	242	225
Corporation mortgages and disaster loans.....	3	2	1				
Other agencies.....	19	17		Total agriculture and agricultural resources			
				(gross).....	4,119	4,031	4,672
Total to private borrowers (gross).....	760	698	572	Deduct receipts of public enterprise funds:			
Deduct receipts of public enterprise funds:				Farm Credit Administration.....			
Housing and Home Finance Agency:					1,988	1,953	2,090
Federal National Mortgage Association.....	156	415	550	Department of Agriculture: Commodity Credit			
Housing loans to educational institutions.....	(*)	(*)	1	Corporation:			
Federal Housing Administration.....	11	16	20	Price support and grain storage loans <sup>2,3</sup> .....			
Other.....	18	28	5		1,247	2,002	2,227
Treasury Department: Reconstruction Finance				Disaster loans.....			
Corporation mortgages and disaster loans.....	9	54	14		30	43	78
Other.....	14	15	21	Subtotal.....			
					3,265	3,998	4,395
Subtotal.....	208	528	611	Total agriculture and agricultural resources			
Total to private borrowers (net).....	552	170	* 39	(net).....			
					854	33	277
To State and local governments:				Finance, commerce, and industry:			
For public works:				Funds appropriated to the President: Expansion of			
Housing and Home Finance Agency:				defense production.....			
Public housing.....	924	1,123	841		139	146	163
Other.....	4	3	3	Small Business Administration.....			
Other agencies.....	15	30	37		128	12	29
For other than public works:				Treasury Department.....			
Slum clearance and urban redevelopment.....	17	47	57		128	45	10
Treasury Department: Reconstruction Finance				Other.....			
Corporation: Public agency and civil defense					5	10	7
loans.....	27	1	1	Total finance, commerce, and industry (gross).....			
					272	213	209
Total to State and local governments (gross).....	987	1,204	939	Deduct receipts of public enterprise funds:			
Deduct receipts of public enterprise funds:				Funds appropriated to the President: Expansion			
Housing and Home Finance Agency:				of defense production.....			
Public housing.....	926	1,290	1,038		50	46	54
Slum clearance and urban redevelopment.....	3	29	47	Treasury Department.....			
Other.....	4	5	4		128	183	137
Treasury Department: Reconstruction Finance				Other.....			
Corporation: Public agency and civil defense					8	9	14
loans.....	28	6	29	Subtotal.....			
					186	238	205
Subtotal.....	961	1,330	1,118	Total finance, commerce, and industry (net).....			
Total to State and local governments (net).....	26	* 126	* 179		86	* 25	4
				Other:			
				Veterans Administration.....			
					15	17	17
				Other.....			
					3	3	5
				Total other (gross).....			
					18	20	22
				Deduct receipts of public enterprise funds.....			
					16	60	3
				Total other (net).....			
					2	* 40	19
				Total loans (gross).....			
					6,775	6,639	6,673
				Deduct receipts of public enterprise funds.....			
					4,994	6,452	6,689
				Total loans (net).....			
					1,781	187	* 16

\* Less than \$500,000.

° Deduct, excess of repayments and collections over expenditures.

<sup>1</sup> Excludes \$4 in 1953, \$82 in 1954, and \$188 in 1955, representing certain transactions of agent banks.<sup>2</sup> Excludes \$340 in 1953, \$1,564 in 1954, and \$274 in 1955, representing certain transactions of agent banks.<sup>3</sup> Includes \$891 in 1953, \$1,214 in 1954, and \$1,357 in 1955, representing value of collateral acquired. These amounts have been included in charges for acquisition of major commodity inventories in this analysis.



SPECIAL ANALYSIS D—Continued  
INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1953 actual	1954 estimate	1955 estimate		1953 actual	1954 estimate	1955 estimate
<b>ADDITIONS TO FEDERAL ASSETS—Continued</b>				<b>ADDITIONS TO FEDERAL ASSETS—Continued</b>			
<b>Public works—sites and direct construction:</b>				<b>Major commodity inventories—Continued</b>			
<b>Civil:</b>				<b>National security: General Services Administration:</b>			
Research and development plant:				Stockpiling of strategic and critical materials.....	\$846	\$695	\$537
National Advisory Committee for Aeronautics.....	\$29	\$41	\$25				
Department of Health, Education, and Welfare.....	11	8	2	Total major commodity inventories (gross).....	3,415	3,641	2,950
Other.....	4	7	8	Deduct receipts of public enterprise funds.....	1,304	1,399	1,416
Total research and development plant.....	44	56	35				
Other than research and development plant:				Total major commodity inventories (net).....	2,111	2,242	1,534
Funds appropriated to the President: Expansion							
of defense production.....	1	10	23	<b>Major equipment:</b>			
Veterans Administration.....	99	72	58	<b>Civil:</b>			
Reconstruction Finance Corporation.....	23	17	15	Research and development plant: Department of			
Tennessee Valley Authority.....	212	251	292	Health, Education, and Welfare.....	2	4	1
General Services Administration.....	13	16	11	Other than research and development plant:			
Housing and Home Finance Agency.....	27	31	1	Funds appropriated to the President: Expansion			
Department of Agriculture.....	14	47	18	of defense production.....	23	21	2
Department of Commerce.....	56	62	38	Department of Commerce:			
Department of Defense—Civil Functions:				Merchant ships.....	143	93	15
Flood control.....	176	91	97	Other.....	2	(*)	
Navigation.....	52	34	46	Other agencies.....	15	11	5
Multipurpose projects.....	333	283	223				
Other.....	12	12	10	Total major equipment, civil (gross).....	185	129	23
Department of the Interior:				Deduct receipts of public enterprise funds: Funds			
Bureau of Reclamation.....	192	144	129	appropriated to the President: Expansion of			
Power transmission agencies.....	57	54	44	defense production.....	(*)		3
Other.....	54	58	61				
Department of State.....	41	12	9	Total major equipment, civil (net).....	185	129	20
Treasury Department.....	6	19	4				
Other agencies.....	11	22	18	<b>National security:</b>			
Total other than research and development plant.....	1,379	1,235	1,097	Research and development plant: Atomic Energy			
Total civil public works.....	1,423	1,291	1,132	Commission.....	11	12	11
<b>National security:</b>				Other than research and development plant:			
Research and development plant:				Atomic Energy Commission.....	10	13	13
Department of Defense—Military Functions.....	156	125	100	Department of Defense—Military Functions:			
Atomic Energy Commission.....	46	53	37	Aircraft.....	7,416	8,425	8,310
Total research and development plant.....	202	178	137	Ships.....	1,191	1,005	990
Other than research and development plant:				Other.....	8,516	7,843	5,246
Atomic Energy Commission.....	1,008	1,204	1,176				
General Services Administration: Stockpiling of				Total major equipment, national security.....	17,144	17,298	14,570
strategic and critical materials.....	19	14	20				
Department of Defense.....	1,757	1,562	1,550	Total major equipment (gross).....	17,329	17,427	14,593
Total other than research and development plant.....	2,784	2,780	2,746	Deduct receipts of public enterprise funds.....			3
Total national security.....	2,986	2,958	2,883				
Total public works—sites and direct construction.....	4,409	4,249	4,015	Total major equipment (net).....	17,329	17,427	14,590
<b>Major commodity inventories:</b>				<b>Other physical assets—acquisition and improvement:</b>			
<b>Civil:</b>				<b>Civil: Other than research and development plant:</b>			
Funds appropriated to the President: Expansion of				Housing and Home Finance Agency.....	16	38	6
defense production.....	185	322	275	Department of the Interior.....	7	10	7
Federal Civil Defense Administration: Emergency				Other agencies.....	12	11	9
supplies and equipment.....	28	46	44				
Reconstruction Finance Corporation: Rubber, tin,				Total other physical assets, civil (gross).....	35	59	22
and fiber.....	476	316	244	Deduct receipts of public enterprise funds.....	17	52	81
Department of Agriculture: Commodity Credit							
Corporation: Agricultural commodities.....	1,880	2,262	1,850	Total other physical assets, civil (net).....	18	7	* 59
Total major commodity inventories, civil (gross).....	2,569	2,946	2,413	National security: Other than research and develop-			
Deduct receipts of public enterprise funds:				ment plant: Atomic Energy Commission.....	462	662	929
Funds appropriated to the President: Expansion							
of defense production.....	167	116	160	Total other physical assets—acquisition and im-			
Reconstruction Finance Corporation.....	611	448	333	provement (gross).....	497	721	951
Commodity Credit Corporation: Agricultural				Deduct receipts of public enterprise funds.....	17	52	81
commodities.....	526	835	923				
Subtotal.....	1,304	1,399	1,416	Total other physical assets—acquisition and im-			
Total major commodity inventories, civil (net).....	1,265	1,547	997	provement (net).....	480	669	870
				Total additions to Federal assets (gross).....	32,425	32,677	29,182
				Deduct receipts of public enterprise funds.....	6,315	7,903	8,189
				Total additions to Federal assets (net).....	26,110	24,774	20,993

\*Less than \$500,000.

\*Deduct, excess of repayments and collections over expenditures.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[in millions]

	1953 actual	1954 estimate	1955 estimate		1953 actual	1954 estimate	1955 estimate
<b>EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES</b>				<b>EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES—Continued</b>			
<b>State and local physical assets:</b>				<b>Education, training, and health—Continued</b>			
Direct Federal programs: For public works:				Grants-in-aid: Civil:			
Research and development plant: Department of Health, Education, and Welfare.....	\$2	\$1	-----	Department of Health, Education, and Welfare:			
Other than research and development plant: Department of Health, Education, and Welfare.....	1	-----	-----	School operation in defense areas.....	\$66	\$78	\$60
Total direct Federal programs.....	3	1	-----	Other education and training.....	53	55	63
				Health and child care.....	64	53	50
				Department of Agriculture.....	32	32	40
				Total grants-in-aid, civil.....	215	218	213
				National security.....	1	1	1
				Total education, training, and health.....	319	324	310
Grants-in-aid:							
For public works: Other than research and development plant:				<b>Research and development:</b>			
Department of Health, Education, and Welfare:				Direct Federal programs:			
School construction.....	134	120	\$72	Department of Agriculture.....	41	43	49
Hospitals.....	59	45	48	Department of Commerce.....	23	21	20
Other.....	1	4	2	Department of Health, Education, and Welfare.....	45	56	60
Department of Commerce:				Department of the Interior.....	32	31	30
Roads.....	500	533	544	National Advisory Committee for Aeronautics.....	50	50	52
Airports.....	27	18	9	Other agencies.....	27	28	33
Housing and Home Finance Agency.....	3	11	3	Total direct Federal programs (gross).....	218	229	244
Other agencies.....	5	7	18	Deduct receipts of public enterprise funds: Department of the Interior.....	3	3	3
Total for public works.....	729	738	696	Total direct Federal programs (net).....	215	226	241
For other than public works:				Grants-in-aid: Civil: Department of Agriculture.....	14	15	21
Federal Civil Defense Administration.....	13	18	11				
Other agencies.....	1	1	1	National security:			
Total grants-in-aid.....	743	757	708	Department of Defense.....	1,412	1,425	1,350
Total State and local physical assets.....	746	758	708	Atomic Energy Commission.....	204	207	213
				Total national security.....	1,616	1,632	1,563
<b>Private physical assets:</b>				Total research and development (gross).....	1,848	1,876	1,823
Direct Federal programs:				Deduct receipts of public enterprise funds.....	3	3	3
Research and development plant.....	1	2	5	Total research and development (net).....	1,845	1,873	1,825
Other than research and development plant:							
Department of Agriculture:				<b>Engineering and natural resource surveys:</b>			
Agricultural conservation assistance <sup>1</sup> .....	308	256	196	Direct Federal programs:			
Soil Conservation Service.....	61	61	55	Department of Commerce.....	12	11	10
Flood prevention work on private lands.....	4	5	5	Department of the Interior.....	35	32	30
Other.....	* 2	3	7	Other agencies.....	8	7	7
Department of Commerce: Merchant ships.....	2	5	-----	Total direct Federal programs, engineering and natural resource surveys.....	55	50	47
Other agencies.....	12	13	7	Total expenditures for other developmental purposes (gross).....	3,403	3,392	3,211
Total direct Federal programs (gross).....	386	345	275	Deduct receipts of public enterprise funds.....	60	18	34
Deduct receipts of public enterprise funds: Agricultural conservation assistance <sup>1</sup> .....	57	15	31	Total expenditures for other developmental purposes (net).....	3,343	3,374	3,177
Total direct Federal programs (net).....	329	330	244				
Grants-in-aid: Other than research and development plant:				<b>CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES</b>			
Department of Health, Education, and Welfare:				<b>Agriculture:</b>			
Hospitals.....	49	38	40	Direct Federal programs:			
General Services Administration: Hospitals.....	-----	1	3	Farm Credit Administration.....	29	33	31
Total grants-in-aid.....	49	39	43	Department of Agriculture:			
Total private physical assets (gross).....	435	384	318	Commodity Credit Corporation:			
Deduct receipts of public enterprise funds.....	57	15	31	Price support.....	91	124	135
Total private physical assets (net).....	378	369	287	International Wheat Agreement.....	131	84	89
				Sugar Act.....	63	65	65
<b>Education, training, and health:</b>				Other.....	143	403	187
Direct Federal programs:				Department of Labor.....	4	4	4
Veterans Administration.....	15	12	-----	Total direct Federal programs (gross).....	461	713	511
Department of the Interior.....	42	47	49	Deduct receipts of public enterprise funds:			
Department of Health, Education, and Welfare.....	37	35	34	Farm Credit Administration.....	31	60	32
Other agencies.....	9	11	13	Department of Agriculture: Price support.....	160	57	53
Total direct Federal programs.....	103	105	96	Other agencies.....	27	120	35
				Subtotal.....	218	237	120
				Total direct Federal programs (net).....	243	476	391

<sup>1</sup> Includes repayments to Commodity Credit Corporation of prior advances to the appropriation for agricultural conservation payments of \$57 in 1953, \$15 in 1952, and \$31 in 1955.

\* Deduct, excess of repayments and collections over expenditures.



SPECIAL ANALYSIS D—Continued  
INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1953 actual	1954 estimate	1955 estimate		1953 actual	1954 estimate	1955 estimate
<b>CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES—Continued</b>				<b>CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES—Continued</b>			
<b>Agriculture—Continued</b>				<b>Home owners and tenants—Continued</b>			
Grants-in-aid: Department of Agriculture.....	\$62	\$133	\$158	Grants-in-aid: Housing and Home Finance Agency:			
				Public housing .....	\$26	\$44	\$69
Total agricultural aids and special services (gross).....	523	846	669	Slum clearance .....	8	20	39
Deduct receipts of public enterprise funds.....	218	237	120				
				Total grants-in-aid .....	34	64	108
Total agricultural aids and special services (net).....	305	609	549				
<b>Business:</b>				Total aids to home owners and tenants (gross).....	255	276	302
Funds appropriated to the President: Expansion of defense production, administrative expenses and losses on transactions.....	36	56	74	Deduct receipts of public enterprise funds.....	378	376	350
Reconstruction Finance Corporation.....	10	9	4				
Department of Commerce:				Total aids to home owners and tenants (net).....	* 123	* 100	* 48
Air navigation aids.....	92	92	86	<b>Veterans:</b>			
Payments to air carriers.....		53	80	Direct Federal programs:			
Maritime activities: Ship operating subsidies and administration.....	63	84	91	Veterans Administration:			
Other.....	33	24	28	Readjustment benefits.....	719	511	574
Department of Defense—Civil Functions:				Compensation and pensions.....	2,420	2,485	2,535
Corps of Engineers: Maintenance and operation of river and harbor works.....	60	68	66	Hospital and medical care.....	648	686	686
Panama Canal Company.....	97	92	92	Other.....	276	274	240
Other.....	6	1	4	Department of Labor.....	26	40	61
Post Office Department: Deficit, excluding Government mail and nonbusiness services.....	624	435	88	Other agencies.....	1	2	2
Treasury Department:							
Coast Guard: Navigation aids.....	166	163	138	Total direct Federal programs (gross).....	4,090	3,998	4,098
Other.....	23	123	5	Deduct receipts of public enterprise funds.....	36	59	48
Other agencies.....	6	5	6				
				Total direct Federal programs (net).....	4,054	3,939	4,050
Total business (gross).....	1,216	1,205	762	<b>Payments to trust funds:</b>			
Deduct receipts of public enterprise funds:				Railroad Retirement Board: Military service credits.....	33	35	
Funds appropriated to the President: Expansion of defense production.....	83	18	22	Veterans Administration: Life insurance.....	85	76	37
Department of Defense—Civil Functions: Panama Canal Company.....	124	112	105				
Other agencies.....	75	157	26	Total payments to trust funds.....	118	111	37
				Grants-in-aid: Veterans Administration.....	6	7	8
Subtotal.....	282	287	153				
Total business aids and special services (net).....	934	918	609	Total veterans' aids and special services (gross).....	4,214	4,116	4,143
<b>Labor:</b>				Deduct receipts of public enterprise funds.....	36	59	48
Direct Federal programs.....	13	14	13				
Grants-in-aid: Department of Labor: Administration of unemployment compensation and employment services.....	202	190	203	Total veterans' aids and special services (net).....	4,178	4,057	4,095
				<b>International aids:</b>			
Total labor aids and special services.....	215	204	216	Civil:			
<b>Home owners and tenants:</b>				Funds appropriated to the President:			
Direct Federal programs: Housing and Home Finance Agency:				Economic and technical assistance.....	1,621	1,220	946
Federal National Mortgage Association.....	60	81	98	Assistance to Republic of Korea.....	5	40	100
Federal Housing Administration.....	71	60	38	Other.....	5	8	14
Federal Savings and Loan Insurance Corporation.....	1	1	1	Export-Import Bank of Washington.....	30	33	36
Other.....	89	70	57	Veterans Administration.....	2	12	2
				Department of Agriculture.....		80	
Total direct Federal Programs (gross).....	221	212	194	Department of Defense—Civil Functions:			
Deduct receipts of public enterprise funds:				Government and relief in occupied areas.....	22	4	4
Federal National Mortgage Association.....	110	113	105	Civilian relief in Korea.....	93	80	40
Federal Housing Administration.....	152	126	133	Department of State.....	2		70
Federal Savings and Loan Insurance Corporation.....	19	22	25	Other agencies.....	3	4	4
Other.....	97	115	87				
Subtotal.....	378	376	350	Total civil (gross).....	1,783	1,481	1,216
Total direct Federal programs (net).....	* 157	* 164	* 156	Deduct receipts of public enterprise funds.....	78	89	90
				Total civil (net).....	1,705	1,392	1,126
				National security: Department of Defense.....	3,954	4,200	4,275
				Total international aids (gross).....	5,737	5,681	5,491
				Deduct receipts of public enterprise funds.....	78	89	90
				Total international aids (net).....	5,659	5,592	5,401
				<b>Other aids:</b>			
				Direct Federal programs:			
				Department of Agriculture.....	3	109	215
				Department of Health, Education, and Welfare.....	50	50	48
				Department of the Interior.....	24	22	22

\* Deduct excess of repayments and collections over expenditures.

SPECIAL ANALYSIS D—Continued  
INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1953 actual	1954 estimate	1955 estimate		1953 actual	1954 estimate	1955 estimate
<b>CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES—Continued</b>				<b>OTHER SERVICES AND CURRENT OPERATING EXPENSES—Continued</b>			
<b>Other aids—Continued</b>				<b>Regulation and control—Continued</b>			
Direct Federal programs—Continued				Other agencies.....	\$51	\$44	\$42
Other agencies.....	\$5	\$5	\$5	Total regulation and control.....	471	414	395
Total direct Federal programs (gross).....	82	186	290	<b>Operation and maintenance of the postal system (excluding the postal deficit): Post Office Department:</b>			
Deduct receipts of public enterprise funds.....	1	1	1	Postal service fund (gross).....	2,116	2,335	2,686
Total direct Federal programs (net).....	81	185	289	Deduct receipts of public enterprise funds.....	2,116	2,335	2,686
<b>Grants-in-aid:</b>				Total operation and maintenance of the postal system (net).....			
Funds appropriated to the President: Disaster relief.....	12	15	6	<b>Operation and administration of other civil activities:</b>			
Department of Agriculture: School lunch program.....	83	83	68	International activities: Department of State:			
Department of Health, Education, and Welfare:				International information and education.....	83	83	91
Public assistance.....	1,330	1,389	1,293	Other.....	136	121	114
Total grants-in-aid.....	1,425	1,487	1,367	Total international activities.....	219	204	205
Total other aids (gross).....	1,507	1,673	1,657	<b>Federal financial activities:</b>			
Deduct receipts of public enterprise funds.....	1	1	1	General Accounting Office and Tax Court of the United States.....	33	33	33
Total other aids (net).....	1,506	1,672	1,656	Treasury Department.....	379	389	369
Total current expenses for aids and special services (gross).....	13,667	14,001	13,240	Total Federal financial activities.....	412	422	402
Deduct receipts of public enterprise funds.....	993	1,049	762	<b>Other direct Federal programs:</b>			
Total current expenses for aids and special services (net).....	12,674	12,952	12,478	Legislative branch.....	49	52	55
<b>OTHER SERVICES AND CURRENT OPERATING EXPENSES</b>				Independent offices:			
<b>Repair, maintenance, and operation of physical assets (excluding special services):</b>				Civil Service Commission.....	22	17	16
<b>Civil:</b>				Federal Civil Defense Administration.....	9	8	10
Tennessee Valley Authority.....	93	106	138	Selective Service System.....	33	30	31
General Services Administration.....	107	107	121	General Services Administration.....	68	45	31
Department of Agriculture.....	47	51	51	Department of Commerce.....	30	28	27
Department of Commerce.....	163	91	59	Department of Defense—Civil Functions.....	17	25	25
Department of Defense—Civil Functions.....	63	27	25	Department of Justice.....	16	22	14
Department of the Interior.....	99	102	106	Department of Labor.....	43	42	43
Other agencies.....	10	12	12	Post Office Department: Government mail and services.....	36	5	
Total civil (gross).....	582	496	512	Treasury Department: Claims.....	136	149	135
Deduct receipts of public enterprise funds.....	284	267	306	Other agencies.....	17	23	22
Total civil (net).....	298	229	206	Total other direct Federal programs (gross).....	476	446	409
<b>National security:</b>				Deduct receipts of public enterprise funds.....	1		
Atomic Energy Commission.....	48	48	46	Total other direct Federal programs (net).....	475	446	409
Department of Defense—Military Functions.....	10,335	8,979	8,769	<b>Retirement and unemployment compensation for Federal employees:</b>			
Total repair, maintenance, and operation of physical assets (gross).....	10,965	9,523	9,327	Direct Federal programs:			
Deduct receipts of public enterprise funds.....	284	267	306	Civil Service Commission: Retirement.....	324	34	32
Total repair, maintenance, and operation of physical assets (net).....	10,681	9,256	9,021	Department of Health, Education, and Welfare.....	1	1	1
<b>Regulation and control:</b>				Department of Labor: Unemployment compensation payments.....			25
The Judiciary.....	27	29	29	Treasury Department.....	18	19	20
Independent offices:				Grants-in-aid: Department of Labor: Unemployment compensation administration.....			2
Interstate Commerce Commission.....	11	11	11	Total retirement and unemployment compensation for Federal employees.....	343	54	80
Economic Stabilization Agency.....	64	3		<b>Shared revenues and other grants-in-aid:</b>			
Department of Agriculture.....	32	61	60	Department of Agriculture.....	18	19	19
Department of Commerce.....	42	20	14	Department of the Interior.....	48	49	51
Department of Justice:				Contribution to District of Columbia Government.....	11	12	22
Federal Bureau of Investigation.....	71	76	78	Other agencies.....	4	4	5
Other.....	82	83	83	Total shared revenues and other grants-in-aid.....	81	84	97
Department of Labor.....	10	7	6	Total operation and administration of other civil activities (gross).....	1,531	1,210	1,193
Treasury Department.....	81	80	72	Deduct receipts of public enterprise funds.....	1		
				Total operation and administration of other civil activities (net).....	1,530	1,210	1,193



SPECIAL ANALYSIS D—Continued  
INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1953 actual	1954 estimate	1955 estimate		1953 actual	1954 estimate	1955 estimate
<b>OTHER SERVICES AND CURRENT OPERATING EXPENSES—Continued</b>				<b>OTHER SERVICES AND CURRENT OPERATING EXPENSES—Continued</b>			
<b>Other national security operation and administration:</b>				<b>Interest—Continued</b>			
General Services Administration.....	\$55	\$61	\$28	Other interests—Continued			
Department of Defense—Military Functions:				On uninvested trust funds.....	\$5	\$5	\$5
Military personnel.....	11,556	10,910	10,335	Total other interest.....	79	75	75
Civilian components.....	521	560	675	Total interest.....	6,583	6,600	6,875
Department-wide activities.....	666	735	740	Total other services and current operating ex- penses (gross).....	34,548	32,329	31,764
Working capital (revolving) funds.....	84	• 19	• 490	Deduct receipts of public enterprise funds.....	2,401	2,602	2,992
Total other national security operation and administration.....	12,882	12,247	11,288	Total other services and current operating ex- penses (net).....	32,147	29,727	28,772
<b>Interest:</b>				<b>RESERVE FOR CONTINGENCIES.....</b>		75	150
On the public debt.....	6,504	6,525	6,800	<b>ADJUSTMENT TO DAILY TREASURY STATE- MENT BASIS.....</b>	• 292		
Other interest:				Total budget expenditures (net).....	73,982	70,902	65,570
On refunds.....	74	70	70				

• Deduct, excess of repayments and collections over expenditures.

## SPECIAL ANALYSIS E

### FEDERAL CREDIT PROGRAMS

#### INTRODUCTION

Federal credit programs are an important method for the achievement of public policy objectives. For example, as part of the Federal programs for improvement of housing and encouragement of home ownership, Federal agencies currently insure or guarantee about 40 percent of all outstanding home-mortgage loans. Similarly, financial assistance in the form of credit is an important part of the Federal program of encouraging efficient family-size farm units. Loans to help restore international economic stability and promote the economic development of underdeveloped areas have been a significant part of the Government's international aid program in recent years. Federal loans to business are primarily to help meet defense needs and to assist small businesses to obtain financing; they account, however, for only a very small part of business credit. Apart from influences in these specific areas, Federal credit programs exert a powerful influence on the general level of economic activity.

The impact of Federal credit programs on the Federal budget is relatively small when compared with the large amount of credit extended or guaranteed. The most important reason for this is the predominance of Federal insurance and guarantees of private loans in recent years, discussed more fully later in this analysis. Such programs normally involve little or no budget expenditures except in cases when defaults require the guaranteeing or insuring agencies to take over private loans. Secondly, a substantial share of new commitments, both for insurance and guarantees and for direct loans, are canceled or expire without being used by the lending institution or the borrower. Finally, collections on loans in most cases directly offset disbursements on new loans, with the result that net expenditures are much less than gross expenditures; often net receipts occur.

Federal credit programs are intended to supplement rather than to substitute for private credit. They have expanded greatly in the postwar period. Direct loans outstanding increased from about \$5 billion in 1945 to \$16 billion on June 30, 1953. However, this amount was only 5 percent of the estimated private debt of \$307 billion outstanding on that date. Private loans partly or wholly guaranteed by Federal agencies have increased nearly six-fold since 1945 to \$35 billion, comprising an additional 11 percent of total private debt.

#### COVERAGE OF SPECIAL ANALYSIS

This special analysis presents a broad picture both of direct Federal loans and investments, and of Federal loan insurance and loan guarantee programs. It summarizes new commitments, expenditures, loans outstanding and guarantees in force, new commitment authority, and status of credit authority of 19 major Federal credit programs. In addition to the programs included in the special analysis in the 1953 budget document, this analysis includes the loan program of the Small Business Administration, established in July 1953, and the expanded disaster loans by the Department of Agriculture. The programs included account for nearly all new commitments of Federal agencies in the fiscal year 1955.

The analysis covers major credit programs of wholly owned Government enterprises, whether corporate or non-corporate. Included also are major credit operations of other departments and agencies, not primarily engaged in lending activities, such as the Treasury Department loan to the United Kingdom in 1947. Loan programs of important quasi-public agencies are excluded from the tables but are discussed separately.

The analysis excludes interagency credit, such as borrowing from the Treasury by other Government agencies, whether for loan or other programs. Credit extended in connection with sales by the Federal Government, such as credit to finance sales of war surplus goods, is also in general excluded.

#### SUMMARY

Total new commitments for major Federal credit programs for the fiscal year 1955 are estimated at \$12.5 billion (table 1). Of this total, credit aids for housing and related programs, including housing loans and guarantees by the Veterans Administration, account for \$7.4 billion, or about 60 percent; those for agricultural programs account for \$4.5 billion, or 36 percent.

TABLE 1.—Commitments and expenditures for major Federal credit programs classified by agency or program

[Fiscal years. In millions]

Agency or program	New commitments			Net expenditures		
	1953 actual	1954 estimate	1955 estimate	1953 estimate	1954 estimate	1955 estimate
Housing and Home Finance Agency.....	\$6,055	\$5,099	\$4,399	\$482	-\$14	-\$261
Veterans Administration.....	2,927	3,120	3,019	89	102	68
Department of Agriculture.....	2,550	3,609	2,355	777	-170	24
Farm Credit Administration.....	1,906	1,979	2,133	-73	32	47
Expansion of Defense Production.....	677	382	150	84	103	107
Small Business Administration.....	-----	22	41	-----	11	24
Treasury Department.....	101	5	-----	-58	-284	-203
Export-Import Bank.....	570	435	435	165	144	-98
Foreign Operations Administration.....	26	16	( <sup>1</sup> )	76	40	9
Total.....	14,812	14,667	12,532	1,542	-36	-283
Other agencies or programs.....	-----	-----	-----	6	-34	-6
Adjustments.....	-----	-----	-----	245	257	273
Total, budget expenditures.....	-----	-----	-----	1,781	187	-16

<sup>1</sup> Not available.

Total commitments in 1955 are expected to be substantially below both the 1953 and 1954 levels. As indicated in detail in table 3 below, expenditures and receipts of major credit programs will be roughly in balance in 1954 and 1955, in sharp contrast to the substantial excess of expenditures in 1953. The lower levels of new commitments and net expenditures reflect mainly shifts in activities by the Commodity Credit Corporation and the Federal National Mortgage Association.

#### NEW COMMITMENTS

New commitments provide the best single measure of the trends in most Federal credit programs. They also provide the best indication of trends in the economic impact of these programs, since changes in the magnitude of new commitments usually lead to corresponding changes in the volume of loans disbursed either by public agencies or private lenders.



In this study, commitments are defined as approvals by Federal agencies of direct loans or of insurance or guarantees of private loans. They are shown on a gross basis, without deductions for commitments which do not result in an actual credit extension. The amounts shown are the principal amounts of the loans; for several guarantee and insurance programs these exceed the Government's contingent liability, since the unguaranteed or uninsured portions are also included.

As table 2 indicates, commitments for Federal guarantees and insurance of private loans account for 70 percent of total new commitments. This high proportion arises from the policy of making direct loans only where private credit, even with Government guarantee or insurance, is not available on reasonable terms, e. g., direct loans for defense production, or where risks are regarded as unusually great, as in the international area. Many of the direct loans and investments also add to private lending, for example, purchases of mortgages from private financial institutions and discounts of short-term farm credit extended by private lenders.

*Direct loans and investments.*—New commitments of \$3.8 billion for direct loans and investments in the fiscal year 1955 are expected to be 24 percent below the 1954 level, and almost 30 percent below 1953. Expiration on June 30, 1954, of the major advance commitment authority of the Federal National Mortgage Association and the Association's restricted policy on over-the-counter purchases accounts for about half of the decline. The reduction also reflects achievement of major defense production expansion goals, lower commitments by the Commodity Credit Corporation for agricultural price supports, and a shift of emphasis by the Export-Import Bank from direct loans to guarantees of private loans. The decline in these commitments is a major factor in the reversal in overall trend from net expenditures to net receipts, and it implies a continued excess of receipts in later years.

TABLE 2.—*New commitments for major Federal credit programs classified by type of assistance, major agency, and program*

[Fiscal years. In millions]

Agency or program	1953 actual		1954 estimate		1955 estimate	
	Direct loans and investments	Guarantees and insurance	Direct loans and investments	Guarantees and insurance	Direct loans and investments	Guarantees and insurance
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$914		\$559		\$85	
Slum clearance and urban redevelopment	44		82	\$18	99	\$26
College housing	70		63		36	
Federal Housing Administration	8	\$4,308	11	3,583	29	3,338
Public Housing Administration	402	309	291	492	285	501
Veterans Administration	89	2,838	101	3,019		3,019
Department of Agriculture:						
Rural Electrification Administration	201		209		175	
Farmers Home Administration	164	12	182	11	146	11
Commodity Credit Corporation	509	1,620	741	2,347	471	1,490
Disaster Loans	44		119		62	
Farm Credit Administration: Federal Intermediate Credit Banks	1,906		1,979		2,133	
Expansion of defense production	262	415	170	212	25	125
Small Business Administration			18	4	31	10
Treasury Department: (Reconstruction Finance Corporation liquidation)	90	11	4	1		
Export-Import Bank	570		345	90	177	258
Foreign Operations Administration	26		16		(*)	
Totals by type of assistance	5,299	9,513	4,890	9,777	3,754	8,778
Grand total	14,812		14,667		12,532	

\*Not available.

*Guarantees and insurance.*—New commitments for Federal guarantees and insurance of private loans are esti-

mated at \$8.8 billion in the fiscal year 1955, compared to \$9.8 billion in 1954 and \$9.5 billion in 1953.

The decline from the 1954 level is accounted for by reduced operations of the Commodity Credit Corporation in guaranteeing commodity loans. The reduction from the 1953 level reflects primarily the decline in insurance of housing mortgages including those in critical defense areas and military reservations.

*Overlap in commitments.*—Total commitments may overstate by as much as 1 to 2 billion dollars the net amount of credit assistance by the Federal Government, especially for housing credit. This is because two or more types of Federal assistance are sometimes provided for the same borrower or the same property at different stages in the financing process. No adjustment is made for this overlap, since the amount in any single year is difficult to estimate.

A substantial share of the housing initially constructed with the aid of mortgage insurance by the Federal Housing Administration is ultimately sold to veterans who finance their purchases with mortgages guaranteed by the Veterans Administration. The Federal National Mortgage Association is authorized to purchase mortgages previously insured by the Federal Housing Administration or guaranteed by the Veterans Administration.

Similarly, local housing authorities normally finance most or all of the construction of low-rent units with temporary loans made or directly guaranteed by the Public Housing Administration. These temporary obligations, however, are refinanced by sale of long-term obligations to private investors on the security of Federal annual contribution contracts. This refinancing accounts for the increase in commitments by the Public Housing Administration.

#### DISBURSEMENTS AND REPAYMENTS

Direct loans and investments have a significant impact on the Federal budget, since the difference between their disbursement and repayment represents Federal expenditures or receipts. Federal guarantees and insurance of private loans, on the other hand, do not significantly affect Federal expenditures, since they result primarily in expenditures by private financial institutions. Only if they have been taken over by Federal agencies as a result of defaults or otherwise are they reflected in budget expenditures. Net expenditures for Federal credit assistance give, therefore, only a partial picture of the economic impact of these programs.

Net expenditures of all Government lending programs—with the exception of loans from trust funds or by quasi-public agencies—are included in the budget totals. In most cases, collections are offset directly against expenditures; in a few major programs, however, they go directly to miscellaneous receipts and, therefore, do not affect budget expenditures.

Expenditures of most loan programs are shown in most budget tables on a net basis, i. e., they reflect loan disbursements less repayments of old loans. In table 1 of this analysis, expenditures for loans are shown on a net basis. However, to indicate more clearly the total volume of loans, table 3 shows both gross loan disbursements and repayments (including those going directly to miscellaneous receipts of the Treasury). The difference between these two columns represents the net addition to or reduction in Federal loan assets (excluding chargeoffs and recoveries) for the major credit programs during the fiscal year. To bring total expenditures for loans into line with budget expenditures, net expenditures of minor Federal programs and an adjustment for repayments going directly to miscellaneous receipts are shown.



TABLE 3. *Disbursements and repayments for major Federal credit programs classified by agency or programs*

[Fiscal years. In millions]

Agency or program	1953 actual		1954 estimate		1955 estimate	
	Disbursements	Repayments	Disbursements	Repayments	Disbursements	Repayments
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$586	\$156	\$509	\$415	\$390	\$550
Slum clearance and urban redevelopment	16	3	47	29	57	48
College housing	14		36		59	1
Federal Housing Administration	38	11	21	16	50	21
Public Housing Administration	924	926	1,123	1,290	841	1,038
Veterans Administration	104	15	118	16	90	22
Department of Agriculture:						
Rural Electrification Administration	232	49	242	56	225	63
Farmers Home Administration	165	128	183	138	146	147
Commodity Credit Corporation	1,789	1,246	1,524	2,002	2,106	2,227
Disaster Loans	44	30	119	42	62	78
Farm Credit Administration: Federal Intermediate Credit Banks	1,906	1,979	1,979	1,947	2,133	2,086
Expansion of Defense Production:						
Direct loans and advances	139	51	146	46	162	54
Guarantees of defense production loans	3	7	10	7	8	9
Small Business Administration			11		29	5
Treasury Department:						
Reconstruction Finance Corporation Liquidation	142	155	69	307	30	186
Loan to United Kingdom		45		46		47
Export-Import Bank	519	354	433	289	251	349
Foreign Operations Administration	76		40		9	
Total	6,697	5,155	6,610	6,646	6,648	6,931
Net addition to loans and investments:						
Major agencies or programs	1,542		-36		-283	
Other agencies or programs	-6		-34		-6	
Adjustments, primarily for repayments going directly into miscellaneous receipts	245		257		273	
Total, budget expenditures	1,781		187		-16	

In both tables 1 and 3, expenditure figures represent disbursements and repayments of loans only, and exclude all income and expense items. Losses actually incurred and written off are treated as repayments, but no allowance is made for possible future losses or recoveries. Consistent with the general definition of budget expenditures, investments in United States Government securities are excluded.

In the fiscal year 1955 gross loan disbursements of major Federal credit programs are estimated at \$6.6 billion and repayments at \$6.9 billion. Thus the gross level of activity will be nearly 50 times as high as the net receipts of \$283 million. Of the total repayments, \$273 million will go directly to miscellaneous receipts, chiefly repayments of loans by the Farmers Home Administration, the Rural Electrification, and the Treasury loan to the United Kingdom. Allowing for this adjustment, together with net receipts of \$6 million for relatively minor credit programs, net budget receipts for loans will amount to an estimated \$16 million.

In 1954 and 1955, repayments will be \$1.5 billion and \$1.8 billion, respectively, above the 1953 level. Primarily as a result of this, receipts of all major credit programs will for the first time in many years exceed gross expenditures and thus contribute materially to the reduction in total net budget expenditures. This substantial change reflects primarily increased repayments to the Commodity Credit Corporation (including commodities acquired in satisfaction of loans) and increased sales of mortgages by the Federal National Mortgage Association.

Measured in terms of both disbursements and repayments, the Federal Intermediate Credit Banks represent the most active direct lending program. This reflects primarily the short-term nature of their advances which are frequently renewed. Net expenditures of the banks in 1954 will be only about 2 percent of gross disbursements. On the other hand, current levels of repayments are small when compared with current disbursements in the case of relatively new programs, such as college housing and the Small Business Administration, as well as for programs with predominantly long-term loans such as the Rural Electrification Administration or loans for expansion of defense capacity.

Neither current repayments nor net expenditures provide any measure of the ultimate recoverability of the loans made. As indicated in the detailed statements on individual programs, interest or premiums cover expenses and losses for most programs. In some, the legislative mandates make losses probable from time to time, such as the nonrecourse loans of the Commodity Credit Corporation and the loan-guarantee programs of the Veterans' Administration.

#### LOANS OUTSTANDING AND GUARANTEES IN FORCE

The best index of the level of Federal credit programs over a period of years is provided by the total of their outstanding loans, guarantees, and insurance in force.

Outstanding loans and investments by the end of the fiscal year 1955 are estimated at \$16.2 billion (table 4). Nearly half of this represents loans to foreign borrowers, including the outstanding loan of \$3.6 billion to the United Kingdom, loans of \$2.6 billion by the Export-Import Bank, and \$1.6 billion by the Foreign Operations Administration. The amount of loans outstanding is expected to decline slightly in both 1954 and 1955.

TABLE 4.—*Outstanding loans, guarantees and insurance for major Federal credit programs classified by agency or program*

[End of fiscal years. In millions]

Agency or program	1953 actual		1954 estimate		1955 estimate	
	Direct loans and investments	Guarantees and insurance	Direct loans and investments	Guarantees and insurance	Direct loans and investments	Guarantees and insurance
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$2,498		\$2,592		\$2,432	
Slum clearance and urban redevelopment	22		40	\$18	49	\$41
College housing	15		51		109	
Federal Housing Administration	139	\$16,399	144	18,528	173	19,807
Public Housing Administration	604	1,604	437	2,159	240	2,697
Veterans Administration	245	15,694	347	17,779	415	19,779
Department of Agriculture:						
Rural Electrification Administration	2,013		2,199		2,361	
Farmers Home Administration	588	54	633	61	632	67
Commodity Credit Corporation	875	288	397	1,604	276	1,184
Disaster Loans	55		132		116	
Farm Credit Administration: Federal Intermediate Credit Banks	830		862		909	
Expansion of Defense Production	202	910	305	793	412	557
Small Business Administration			11	3	35	8
Treasury Department:						
Reconstruction Finance Corporation liquidation	652	38	414	35	258	23
Loan to United Kingdom	3,660		3,614		3,567	
Export-Import Bank	2,514	33	2,658	108	2,560	181
Foreign Operations Administration	1,574		1,614		1,623	
Totals by type of assistance	16,486	35,020	16,450	41,088	16,167	44,344
Grand total	51,506		57,538		60,511	



Guarantees and insurance in force are estimated to increase to \$44.3 billion by the end of the fiscal year 1955. The increase of \$9.3 billion over loans outstanding at the end of 1953 reflects primarily increased guarantees and insurance of mortgage loans by the Veterans Administration and the Federal Housing Administration. These two programs—almost exactly equal in size—account for nearly 90 percent of all outstanding guarantees and insurance.

The amounts shown include both the guaranteed and unguaranteed portion of outstanding loans in order to give a clearer picture of the economic impact of these programs and to tie in better with banking statistics. They do not, however, indicate the estimated contingent liability of the Federal Government, which is shown in table 6. The major program on which the contingent liability differs materially from the principal amount of the loan is the veterans' loan guarantee program. By the end of the fiscal year 1955, the outstanding amount of such loans will be more than \$9 billion higher than the Government liability.

The probability that the Government will be called upon to take over any substantial part of the guaranteed or insured portion of outstanding loans is small, except in a national financial emergency. Sizable assets are available to minimize any potential losses. Moreover, in the case of mortgage insurance programs, the premium income in the past has been sufficient not only to cover expenses and current losses, but also to build up substantial reserves.

#### NEW COMMITMENT AUTHORITY

New commitment authority includes any additional authority made available or recommended. There are several kinds of new commitment authority. Budget authorizations are those included in budget totals of new obligational authority; they consist either of appropriations or of authorizations to expend from public debt receipts. Other authorizations, which do not normally give rise to budget expenditures, consist of insurance and guarantee authorizations and conditional authorizations which become available only under specified conditions.

TABLE 5. *New commitment authority for major Federal credit programs classified by type of authorization, agency, and major program*

[Fiscal years. In millions]

Agency or program	1953 actual		1954 estimate		1955 estimate	
	Budget authorizations	Other	Budget authorizations	Other	Budget authorizations	Other
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$900					
Slum clearance and urban redevelopment	250		\$250			
Federal Housing Administration		\$1,005		\$1,956		\$323
Public Housing Administration		309		492		501
Veterans Administration:						
Direct loans	92		98			
Loan guarantees and insurance		1,645		1,750		1,750
Department of Agriculture:						
Rural Electrification Administration	92	60	202	45	\$130	35
Farmers Home Administration	164	100	182	100	146	100
Commodity Credit Corporation	303		1,050		1,750	
Disaster loans			90			
Farm Credit Administration: Federal Intermediate Credit Banks		26		6		22
Expansion of defense production: Guarantees of defense production loans		360		185		104
Small Business Administration			55			
Foreign Operations Administration	17		16		(1)	
Totals by type of authorization	1,818	3,505	1,943	4,534	2,026	2,835
Grand total	5,323		6,477		4,861	

<sup>1</sup> Not available.

Table 5 summarizes new commitment authority of the 14 major credit programs which will receive additional authority during the period. New commitment authority for the fiscal year 1955 is estimated at \$4.9 billion compared to \$6.5 billion in 1954. The sharp reduction from 1954 results primarily from reduced net requirements of the Federal Housing Administration. More than two-thirds of the new authority is accounted for by Veterans Administration loan guarantees and insurance, primarily for the construction and purchase of houses by veterans, and by the price support program of the Commodity Credit Corporation.

New commitment authority for most credit programs is provided by Congress in the basic legislation rather than in appropriation acts. For example, the lending authority of the Export-Import Bank and the Small Business Administration, the borrowing authority of the Commodity Credit Corporation and the Public Housing Administration, and the various mortgage insurance authorizations of the Federal Housing Administration are all prescribed in the statutes governing these programs. Since new commitments can generally be financed out of uncommitted balances of prior authorizations, or out of funds made available by collections on outstanding loans, requests for new commitment authority in any one year are limited to relatively few credit programs. For example, in the fiscal year 1955, new commitment authority is requested for only four of the major programs—the Commodity Credit Corporation, the Rural Electrification Administration, the Farmers Home Administration, and the Federal Housing Administration. In several other programs, however, authority will become available in 1955 without additional action by the Congress.

In several important cases, the authority provided by the basic statute is indefinite. The most important examples are guarantees and insurance of loans by the Veterans Administration, guarantees of defense production loans under section 301 of the Defense Production Act, and indirect guarantees of local housing authority obligations issued on the security of annual contribution contracts of the Public Housing Administration. In these cases, the tabulations show new authorizations equal to the net amount of the guaranteed or insured portion of new commitments.

A second type of new authority indefinite in amount exists in the case of loan programs where the authority can also be used for grants, purchase commitments, or other nonlending purposes. Major examples are expansion of production under the Defense Production Act, and the programs of the Commodity Credit Corporation and the Foreign Operations Administration. In these programs, all the new obligational authority provided could legally be used for loans, but is not likely to be so used. Loans by the Foreign Operations Administration in 1954 and 1955 account for only a minor part of the total assistance program, so that it would be misleading to include the total amount of the foreign aid program as new obligational authority for loan assistance. The data, therefore, show amounts for new authority adequate to finance estimated new commitments. Loans by the Commodity Credit Corporation and under the Defense Production Act, however, account for a substantial part of these programs. Their total new obligational authority is, therefore, included, even though in both instances some of it will be used for nonlending purposes.

#### STATUS OF CREDIT AUTHORITY

Unlike most other Government programs, commitment authority for the major credit programs is not normally



provided for a single year, but remains available in most instances until utilized or until the statutory authority for the program expires. Hence, with only a few exceptions, the existing authority represents the cumulative total of amounts made available in prior years.

*Cumulative net authority.*—Three major types of commitment authority have been provided for Federal credit programs. A majority of the major programs operate on a revolving-fund basis, that is, collections on outstanding loans and expirations of insurance commitments permit reuse of the original authority. Limitations on such programs are ordinarily in terms of maximum amounts of loans outstanding, maximum borrowings from the Treasury, or maximum amounts of insurance or guarantee liability. Leading examples include almost all lending programs of Government corporations and the mutual mortgage insurance program of the Federal Housing Administration.

In the case of several noncorporate loan and loan insurance programs a maximum limitation is placed upon the total volume of loans and loan insurance commitments. Funds collected on such loans and expirations of such insurance are not available for reuse. Typical examples are the direct loan program of the Rural Electrification Administration and the Farmers' Home Administration and military and defense housing mortgage insurance programs of the Federal Housing Administration.

A few programs are not governed by any specific dollar limitations. These are limited only indirectly by the provisions of the statute or of the agency's regulations governing eligibility for Federal credit assistance. The amount committed depends primarily on the number of applications. The most important example is the loan guarantee and insurance program of the Veterans Administration. The loan guarantees authorized under section 301 of the Defense Production Act are also not specifically limited.

TABLE 6.—*Status of credit authority for major Federal credit programs classified by agency or program*

[Fiscal years. In millions]

	1953 actual	1954 estimate	1955 estimate								
			Total	Housing and Home Finance Agency	Veterans Adminis- tration	Depart- ment of Agricul- ture	Farm Credit Adminis- tration	Expansion of defense production	Small Business Adminis- tration	Treasury Depart- ment	Export- Import Bank and Foreign Operations Adminis- tration
Cumulative net commitment authority at beginning of year:											
Definite limitation.....	\$43,023	\$43,885	\$44,747	\$28,475	\$365	\$6,419	-----	\$1,077	\$55	\$3,956	\$4,400
Indefinite limitation.....	12,848	14,296	15,633	1,511	9,823	-----	\$1,600	954	-----	122	1,623
New commitment authority during year:											
Definite limitation.....	2,961	4,022	2,461	300	-----	2,161	-----	-----	-----	-----	(1)
Indefinite limitation.....	2,362	2,455	2,400	524	1,750	-----	22	104	-----	-----	-----
Adjustments.....	-3,013	-4,278	-3,140	-247	-625	-1,586	-----	-444	-----	-238	-----
Cumulative net authority at end of year.....	58,181	60,380	62,101	30,563	11,313	6,994	1,622	1,691	55	3,840	6,023
Cumulative charges against authority:											
Loans and investments:											
Outstanding.....	16,486	16,450	16,167	3,003	415	3,385	909	412	35	3,825	4,183
Undisbursed commitments.....	2,619	2,301	1,636	493	1	453	-----	156	11	-----	522
Guarantees and insurance:											
In force.....	27,358	32,489	34,875	22,545	10,431	1,251	-----	447	5	15	181
Commitments outstanding.....	3,587	2,956	2,664	1,851	466	2	-----	212	2	-----	131
Total charges against authority.....	50,050	54,196	55,342	27,892	11,313	5,091	909	1,227	53	3,840	5,017
Uncommitted authority, end of year.....	8,131	6,184	6,759	2,671	-----	1,903	713	464	2	-----	1,006

(1) Not available.

In the case of both the Commodity Credit Corporation and lending programs under the Defense Production Act, loans are financed from obligational authority which also finances nonlending programs. For the purposes of this analysis, the net authority available at the beginning of the year for these loan programs is set equal to the total available authority after deducting authority committed for nonlending programs. An exception is made for the Foreign Operations Administration, because its loans account for only a very small and indefinite fraction of the total economic assistance given under the foreign aid program in 1954 and 1955. Its authority at the beginning of the year is, therefore, shown as equal to loans outstanding and undisbursed commitments at the beginning of the year.

Credit authority available at the beginning of the fiscal year 1955 is estimated at \$60.4 billion (table 6). New commitment authority of \$4.9 billion is estimated to become available during the year. On the other hand, estimated expirations, certain repayments, and other reductions in outstanding authority amount to \$3.1

billion. The net authority available at the end of the fiscal year 1955 is, therefore, estimated at \$62.1 billion.

*Charges against authority.*—In addition to the \$51.0 billion of outstanding loans and guarantees (shown in detail in table 4 but excluding here the portion of private loans not guaranteed or insured by the Federal Government), charges against the available authority include undisbursed commitments. These are expected to total \$4.3 billion on June 30, 1955.

*Uncommitted authority.*—For major Federal credit programs as a whole, commitment authority at the end of the fiscal year 1955 is estimated to exceed charges against the authority by \$6.8 billion. Of this unused lending authority, \$1.9 billion is accounted for by the Commodity Credit Corporation, \$1.1 billion by the Federal National Mortgage Association, and \$1.0 billion by the Export-Import Bank.

Since the indefinite authority of loan guarantee programs not subject to specific limitations is shown as equal to charges against the authority, the total uncommitted authority in table 6 does not reflect the fact that these guarantee programs could be expanded substantially under



presently available authority. However, about 70 percent of the cumulative authority is subject to definite limitations.

Since this analysis is limited to major active or liquidating credit programs, substantial amounts of uncommitted standby authority of other programs are excluded. The most important examples are the \$3 billion borrowing authority for the Federal Deposit Insurance Corporation, \$1 billion for the Federal home loan banks, and \$750 million for the Federal Savings and Loan Insurance Corporation. These are unlikely to be used unless a national financial emergency occurs.

#### QUASI-PUBLIC CREDIT PROGRAMS

The Federal Government also has a measure of responsibility for the credit programs of certain mixed-ownership corporations and other public agencies operating in whole or in part with private funds. The most important are the banks for cooperatives, the Federal land banks, the Federal home loan banks, and the Federal Reserve banks.

The 12 regional banks for cooperatives make loans to agricultural cooperatives. Most of the stock in the banks is still owned by the Federal Government and the banks are supervised by the Farm Credit Administration. Loans outstanding at the end of the fiscal year 1953 were \$319 million, compared to \$342 million in 1952.

The 12 Federal land banks are now privately owned, but are sponsored by the Government and operate under the supervision of the Farm Credit Administration. These banks provide mortgage credit to farmers at relatively low interest rates through individual national farm loan associations. The amount of loans outstanding at the end of 1953 was \$1,136 million, compared with \$1,046 million a year earlier.

The 11 Federal home-loan banks are also now privately owned, but are supervised by the Home Loan Bank Board and have authority to borrow \$1 billion from the Treasury, if necessary. These banks make both short-term and long-term advances to member savings and loan associations on the security of home mortgages or Treasury obligations, as well as unsecured short-term loans. Advances outstanding on June 30, 1953, were \$718 million.

All of the stock in the 12 Federal Reserve banks is provided by the member banks, but the policies of the Federal Reserve System are controlled by the Board of Governors. Moreover, the Reserve banks pay 90 percent of their profits, after prescribed maximum dividends, to the Treasury, and their entire surplus reverts to the Treasury in the event of liquidation. As part of their normal central banking functions, the Reserve banks stand ready to make short-term discounts and advances for member institutions and also have a small program of direct loans to industry. The amount of discounts, advances, and industrial loans outstanding on June 30, 1953, was \$67 million with discounts and advances seasonally low on that date. One month later, they were \$647 million.

#### MAJOR AGENCIES OR PROGRAMS

##### HOUSING AND HOME FINANCE AGENCY

Five major credit programs of the Housing and Home Finance Agency are included in this analysis. In addition, there are a number of minor programs—most of which are in liquidation—which are administered in the agency.

*Federal National Mortgage Association.*—The Federal National Mortgage Association provides a secondary

market for certain mortgages insured by the Federal Housing Administration or guaranteed by the Veterans' Administration. The Association purchases mortgages over the counter and, under limited statutory authority, through commitments made in advance of construction. New commitments are expected to drop sharply from \$559 million in 1954 to \$85 million in 1955. This downward trend reflects the expiration of major advance commitment authority at the end of the current fiscal year, including authority for military and defense housing mortgages and the one-for-one authority. Under the latter, the Association, in selling mortgages from its portfolio, agrees to purchase subsequently mortgages in the same amount from the buyer. These expiring authorities account for most of the new commitments estimated for 1954. Over-the-counter purchases (except for certain military and defense housing mortgages) were suspended last spring shortly before the increase in maximum interest rates on Government insured and guaranteed mortgages. Since such purchases may be resumed in 1955, an estimated \$75 million is included in the budget for that purpose.

Mortgage sales and repayments are estimated at \$550 million during 1955, reflecting an accelerated sales program. A loss of approximately \$30 million will be realized on sales of mortgages involving 4 percent interest which, in the present market, are worth less than face value. Total earnings will, however, be sufficient to cover these losses and other expenses, and return an estimated net income of \$11 million for 1955.

*Slum clearance and urban redevelopment.*—Under the Housing Act of 1949, the Housing and Home Finance Administrator is authorized to make loans and grants to local public agencies for the planning and execution of slum clearance and urban redevelopment projects. Loans are made to cover the cost of project planning and to finance temporarily development costs. In addition, private temporary loans may be guaranteed through the pledge by the local agency of the Federal loan commitment. The act authorized a borrowing authority of \$1 billion for these purposes.

At the end of 1953, only 43 projects were in actual development, although programs had been initiated by 169 communities. With the completion of planning and other preliminary operations in a rapidly increasing number of communities, a substantial increase in the level of development operations is expected during 1954 and 1955. New loan commitments—chiefly for temporary development financing—are expected to reach \$125 million in 1955, compared with \$44 million in 1953. Net loan expenditures in 1955 are, however, estimated at only \$9 million as a result of both the short-term nature of most of the loans and their early repayment, and the increasing use of guaranteed private financing expected in lieu of direct Federal loans.

The current interest rate on these loans is 2½ percent; it reflects the cost of money to the Federal Government as measured by current market yields on long-term United States securities. Administrative expenses are financed from a separate appropriation.

*College housing loans.*—The Housing Act of 1950 authorized loans to colleges and universities for the construction of student dormitories and faculty homes. The President has thus far released \$150 million of the available commitment authority of \$300 million, and the Budget assumes the release of an additional \$25 million in 1955. Disbursements during 1955 will reach \$59 million, and loans outstanding at the end of the year are estimated at \$109 million.



Most loans made under this authority are repayable over a 40-year period with substantially equal annual debt service payments. As a result, repayments of principal during early years are relatively small. Interest rates on new loans are now 3.5 percent. They are expected to be adequate to cover the cost of money to the Federal Government (as measured by current market yields on long-term United States securities), administrative expenses and probable losses.

*Federal Housing Administration.*—The Federal Housing Administration is authorized to insure a wide variety of residential mortgages and home improvement loans. Since the beginning of the program in 1935, approximately 30 percent of all new homes have been financed with insured mortgages. In addition, a substantial proportion of mortgages on existing housing and of home improvement loans have been insured by the Administration.

New mortgage insurance commitments during 1954 and 1955 will fall below the 1953 level because of some decline in new housing construction generally as well as the reduced programs for housing in critical defense areas and on military reservations. Under present law the special mortgage insurance authorities for these programs expire at the end of the current fiscal year.

Insurance premiums and other income will be adequate to cover all current expenses and to add to the reserves against future losses. In addition, during 1954, pursuant to Public Laws 5 and 94, Eighty-third Congress, the Administration will repay to the Treasury, with interest, \$65 million representing the total amount of capital advanced.

*Public Housing Administration.*—Under the Housing Act of 1949, the Public Housing Administration makes loans and grants to assist local authorities in the construction of low-rent public housing. These loans and grants are extended under annual contribution contracts between the Administration and local authorities. The annual contribution contracts provide for (1) loan commitments by the Administration not to exceed 90 percent of project development costs, and (2) the payment of annual Federal contributions over a 40-year period to cover debt service on the bonds used to finance the project permanently.

Commitments under annual contribution contracts are either disbursed as direct Federal advances or used to guarantee private temporary loans. Most frequently, a direct Federal advance is made initially and later refunded with guaranteed financing. The Administration's borrowing authority for these purposes is \$1.5 billion. The overall volume of temporary financing, including both public and private loans, will decline during 1954 and 1955 because of the reduction in the number of housing units under construction. However, as a result of efforts to shift from Government to private lending, the outstanding volume of private temporary financing is expected to increase during this period.

Prior to the completion of construction, the projects are permanently financed by the local housing authorities and the temporary loans repaid. Currently, about 67 percent of the permanent financing is obtained through the sale of 30-year serial bonds to private investors. The remainder is supplied by the Administration through the purchase of permanent notes maturing over the last 10 years of the 40-year amortization period; most of these permanent notes are refinanced with private temporary loans. Although local housing authority bonds are not directly guaranteed by the Federal Government, the Government contract to pay annual contributions makes them equivalent to guaranteed obligations and they are treated as such in this analysis. Sales of these bonds in 1954 and

1955 will substantially exceed the amount for any earlier period, and the amount outstanding will be more than doubled in the 2 years. This reflects chiefly the completion and permanent financing of a large number of units started in earlier years. Refinancing and sale of bonds held by the Administration on projects constructed under an earlier public housing program accounts for \$210 million in receipts (including \$100 million from private temporary loans).

The interest rate of 2½ percent charged local authorities on loans under new contracts is based upon current market yields of United States securities. Part of administrative expenses and all of the annual contributions are financed from separate appropriations.

#### VETERANS ADMINISTRATION

This analysis includes the loan guarantee and insurance program and the direct housing loan program authorized under the Servicemen's Readjustment Act of 1944, as amended. It excludes minor lending activities of the Veterans Administration, such as the policy loans made by the veterans' life insurance funds and a few very small inactive programs.

*Loan guarantees and insurance.*—The Administrator of Veterans' Affairs guarantees housing, business, and farm loans made by private lenders to World War II and Korean veterans. By June 30, 1953, nearly 3,400,000 loans of all types had been guaranteed of which 92 percent were for homes, 6 percent for business, and 2 percent for farms. In both the fiscal years 1954 and 1955 an estimated 335,000 loans will be guaranteed, compared with 320,000 in 1953. There is no statutory limit on the total amount of the loans. In May 1953 the maximum interest rate on guaranteed or insured loans was increased from 4 percent to 4.5 percent.

Under existing legislation, the Government is liable for all losses up to 60 percent of the principal amount, or \$7,500, whichever is less. No charge is made by the Government for its guarantee. Administrative expenses are paid from the general appropriation for operating expenses of the Veterans Administration and claims are paid from a general appropriation for veterans' readjustment benefits. Net losses on claims paid up to June 30, 1953, amounted to about \$25 million.

*Direct housing loans.*—In areas where the guarantee program is ineffective because of lack of private loans at 4.5 percent interest, the Veterans' Administrator may make loans directly to veterans for the purchase or construction of homes (including farm housing) at 4.5 percent interest. The interest rate was increased from 4 percent on July 1, 1953. It is estimated that by June 30, 1954, about 58,000 direct loans will have been made. Under the present law, the program expires at that time.

#### DEPARTMENT OF AGRICULTURE

Four major credit programs of the Department of Agriculture are included in this analysis.

*Rural Electrification Administration.*—Since 1935, the Rural Electrification Administration has been making loans with 35-year maturities, chiefly to cooperatives, to finance construction of electrical distribution, transmission, and generating facilities to serve rural areas without central-station service. Since 1950, similar loans have been made to finance construction and improvements of rural telephone systems.

New obligational authority is provided annually in the Budget to finance these programs. Because of carryovers of uncommitted authority from prior years, new commit-



ments of \$175 million in 1955 will be \$10 million higher than the new authority recommended. Reductions in commitments anticipated for 1955 will be in the rural electrification program; new commitments for the telephone program are practically unchanged from 1954. In addition to the budget authorization, each year a contingent authorization for electrification loans is provided which becomes available for commitments to the extent that the Secretary of Agriculture certifies it is needed to meet loan demands.

Interest rates are set by statute at 2 percent, considerably below the present cost of long-term money to the Treasury. Administrative expenses are financed by a separate appropriation. Collections of principal and interest are deposited in miscellaneous receipts of the Treasury. Out of a total of about \$2.4 billion of loans made so far, losses have been less than \$50,000.

*Farmers Home Administration.*—The Farmers Home Administration makes loans to farmers unable to obtain credit from other sources for farm operating expenses and crop production, farm ownership and improvement, improvement of water facilities in arid and semiarid areas, and for farm housing. Loans are intended to strengthen the family-type farm and encourage better farming methods. These loan programs are financed by annual authorizations. New loan commitments of \$146 million in 1955 will be substantially below the 1954 level because of the elimination of a nonrecurring authorization provided in 1954 for emergency loans to farmers in drought areas and the expiration of authority for farm housing loans. The Administration also may insure a maximum of \$100 million a year in long-term mortgage loans to finance the purchase of farms. New commitments under this mortgage-insurance program are dependent primarily on the amount of private credit available to finance the purchase of farms at 4 percent interest and under certain prescribed criteria. The current level of such commitments (\$11 million) is expected to continue in 1955.

Interest rates charged on most of the direct loans are 5 percent. Administrative expenses are covered by separate appropriations. Collections of principal and interest go into miscellaneous receipts of the Treasury.

*Commodity Credit Corporation.*—In carrying out the Government's program of supporting prices of agricultural commodities, the Commodity Credit Corporation makes direct loans to farmers and guarantees loans made by private lending agencies. These loans and guarantees enable farmers to market their commodities in an orderly manner and secure prices for such commodities in line with the standards set forth in law. All loans are backed by commodities and borrowers may discharge their obligations without personal liability by turning over pledged commodities to the Corporation. These forfeitures of collateral are treated as repayments of loans in this analysis. The Corporation also makes loans for the construction or improvement of farm-storage facilities.

Present indications are that because of heavy loans and purchases, the Corporation's borrowing authority of \$6,750 million will not be adequate to meet its obligations in the fiscal year 1955. The Congress will therefore be requested to increase the authority to \$8.5 billion. In addition, it is anticipated that in fiscal 1954 the Congress will be requested to restore \$775 million of the Corporation's borrowing authority by cancellation of notes in this amount payable to the Secretary of the Treasury. This amount represents (1) impairment of the Corporation's capital resulting from 1953 operations, and (2) advances made by the Corporation to finance the 1953 programs

for the International Wheat Agreement and eradication of foot and mouth disease. New commitments in the fiscal year 1955 are estimated at nearly \$2 billion, as compared with over \$3 billion in 1954. Repayments of direct loans in 1955 are estimated at \$2,227 million, or \$121 million in excess of estimated disbursements.

During the current year, the Corporation is changing its financing methods to put increased emphasis on loans by private financial institutions rather than on direct loans by the Corporation. This will not affect the Corporation's use of borrowing authority but will result in reduced direct expenditures, at least in the short run.

In order to encourage banks to hold a larger share of the loans that they make on commodities, the Corporation raised interest rates on 1953 crop loans to 4 percent, and the lender's share in the case of indirect loans has been increased from 2 to 2.5 percent.

*Disaster loans.*—The Secretary of Agriculture has at his disposal a revolving fund administered through the Farmers' Home Administration from which emergency loans may be made to farmers and stockmen suffering from production disasters and unable to obtain credit from other sources. As a part of the emergency drought assistance program of the current fiscal year, the Congress made available an additional \$90 million for disaster loans at 3 percent interest, and for special livestock loans at 5 percent interest. New commitments for disaster loans in 1954 will be about  $3\frac{1}{2}$  times the 1953 level.

#### FARM CREDIT ADMINISTRATION

The Farm Credit Administration, formerly in the Department of Agriculture, became a separate and independent agency on December 4, 1953, supervising the Federal intermediate credit banks, production credit corporations, and the Federal Farm Mortgage Corporation (in liquidation), the banks for cooperatives and the Federal land banks. All except the Federal intermediate credit banks are either quasi-public agencies or relatively inactive in extending credit.

*Federal intermediate credit banks.*—The 12 Federal intermediate credit banks extend credit to production credit associations and privately capitalized farm-lending institutions by discounting short-term notes to help finance the production needs of farmers. To finance their operations, the banks sell short-term debentures to the public. The banks may have obligations outstanding of not more than 10 times their capital and surplus. The capital and surplus also can be increased by additional subscriptions from a revolving fund in the Treasury. The total obligational authority of \$1,594 million available on June 30, 1953, includes these potential increases in the banks' funds.

To finance expanding farm production and to meet higher production costs, new commitments have increased steadily in recent years. In 1955 they are expected to be more than 10 percent higher than in 1953. Repayments, however, will nearly cover disbursements, with net expenditures estimated at \$47 million.

Interest rates charged vary with the costs of funds to the individual banks. They are set high enough to cover all expenses. One-quarter of the net income of the banks is paid to the Treasury as a statutory franchise tax and the rest is added to their surplus and reserves, which on June 30, 1953 amounted to \$51 million.

#### EXPANSION OF DEFENSE PRODUCTION

Under the Defense Production Act, the President is authorized to make loans or advances or to guarantee loans



for expansion of defense production. Numerous agencies participate in these programs.

*Loan guarantees.*—Under section 301 of the Defense Production Act, the Departments of the Army, the Navy, the Air Force, Commerce, the Interior, and Agriculture, the Atomic Energy Commission, and the General Services Administration are authorized to guarantee loans by public or private financing institutions to defense contractors and subcontractors. The Federal Reserve banks act as fiscal agents for the guarantees of private loans, and the procedure is governed by the Federal Reserve Board's regulation V. No specific limitation is placed on the amount of loan guarantees.

From the beginning of the program in September 1950 to the end of December 1953, about 1,300 V-loans, totaling \$2.4 billion, have been authorized by the procurement agencies. About 90 percent of the guarantees have been authorized by the Departments of the Air Force, the Army, and the Navy, primarily to speed the production of aircraft and aircraft parts, electronics and communication equipment, tanks, weapons, and ammunition. Guarantees by the General Services Administration to expand production of aluminum and other basic minerals and metals account for nearly all of the remainder. The volume of new commitments will continue to decline in 1955 as expansion goals are being reached.

To cover administrative expenses and possible losses, charges are made for guarantees, depending upon the proportion of the loan guaranteed. This proportion has averaged about 75 percent. The guaranteed portion of loans must be purchased by the procurement agency upon request of the lender. So far, only about 26 guarantees have been converted into purchased loans, and income has substantially exceeded expenses.

*Loans and advances.*—Under section 302 of the Defense Production Act, the President is authorized to make direct loans or to participate in private loans for the expansion of industrial capacity, development of technological processes, or production of essential materials. The President has delegated this authority to the Treasury Department since the liquidation of the Reconstruction Finance Corporation, and to the Export-Import Bank. The authority is available for borrowers upon certification by the appropriate defense agency as to essentiality to the defense effort. Certifications of loans to the Reconstruction Finance Corporation totaled about \$300 million on June 30, 1953, of which more than two-thirds was to assist in expanding the production of copper, steel, and other basic minerals and metals. Loans by the Export-Import Bank account for only a relatively small part of the total. New commitments will be relatively low, since most of the planned expansion is already under way.

Under section 303 of the same act, the General Services Administration makes advances on purchase commitments for strategic minerals and metals and industrial equipment. Most of the advances estimated for 1954 and 1955 will be for the expansion of titanium production.

Interest rates charged on both loans and advances are generally 5 percent. No net ultimate cost is expected.

#### SMALL BUSINESS ADMINISTRATION

The Small Business Administration was created July 30, 1953 and since the expiration of the lending authority of the Reconstruction Finance Corporation on September 29, 1953 has been authorized to make loans to small business and to victims of disasters.

Loans to small business are authorized up to a total of \$150 million outstanding at any one time. The maximum

loan to any one borrower is \$150,000, and maximum maturity generally 10 years. Loans may be made only if financial assistance is not otherwise available on reasonable terms and if there is reasonable assurance of repayment. Moreover, direct loans are made only where the extension of credit jointly with private banks is not possible. The current interest rate is 6 percent.

The Administrator has broad authority to make loans to victims of floods or other disasters. His policy is to designate disaster areas, residents of which are eligible for special financial assistance. There is no limit on the amount that may be loaned to each borrower, but the aggregate outstanding at any one time may not exceed \$25 million. Loans for housing may have maturities up to 20 years, but other loans are limited to 10 years. Current interest rates are 3 percent for disaster housing loans, and 5 percent for other disaster loans.

An appropriation of \$55 million was made in 1954 to finance both the small business and disaster loan programs. Assuming continuance of present economic activity, this amount is expected to be sufficient to finance loans through the fiscal year 1955.

#### TREASURY DEPARTMENT

The only credit programs administered by the Treasury Department and included in this analysis are the liquidation of the Reconstruction Finance Corporation and the 1947 loan to the United Kingdom. The Treasury Department also makes a small amount of civil defense loans.

*Reconstruction Finance Corporation.*—The Reconstruction Finance Corporation Liquidation Act terminated the authority of the Corporation to make new loan commitments on September 28, 1953, and provided for complete termination of the Corporation on June 30, 1954. During 1954, the Corporation will be engaged in an intensive effort to liquidate outstanding loans and investments. The Secretary of the Treasury will continue the liquidation thereafter. Over half the portfolio should be liquidated by June 30, 1955.

The status of loans, loan guarantees, and commitments outstanding as of June 30, 1953, is shown in the following table:

*Outstanding loans, loan guarantees, and commitments by type of loan, June 30, 1953*

[In millions]		
	Outstanding loans and guarantees	Undisbursed commitments
Business enterprises.....	\$393.5	\$64.7
Railroads.....	76.6	.8
Financial institutions.....	45.2	-----
Public agencies.....	25.0	39.4
Disaster.....	16.4	1.7
Foreign governments.....	51.0	-----
Mortgages.....	68.5	-----
Total.....	676.2	106.6

*Loan to United Kingdom.*—A loan of \$3,750 million was made to the United Kingdom in 1947 and 1948. It is a 50-year loan at 2-percent interest. Repayments of principal have been made on schedule, beginning in 1951. They are deposited directly in miscellaneous receipts and are not available for new loans.

#### EXPORT-IMPORT BANK OF WASHINGTON

The Export-Import Bank is the principal foreign lending agency of the Government, with total lending and insurance authority of \$4.5 billion. Its major function is the



promotion of trade between the United States and foreign countries. It extends loans to finance American exports and imports, to develop foreign sources of strategic materials, and to promote the economic development of underdeveloped countries. The Bank also acts as an agent for the Foreign Operations Administration in administering loans and makes a limited number of loans under authority of the Defense Production Act. In 1953 the Bank was authorized to use up to \$100 million of its lending authority to insure American exporters against certain risks of expropriation and confiscation.

In general, the Bank's loans supplement or encourage private investment, rather than compete with it. Increased emphasis is being placed by the Bank on guaranteeing private loans, rather than making loans directly. Loan maturities vary from several months on export credits to a number of years on developmental loans. Interest rates vary with the type of loan and are directly related to prevailing yields on United States Government securities; they are lower on loans made to or guaranteed by a foreign government. Present rates range from 3.5 percent on short-term export credits to 6 percent on certain long-term unguaranteed loans. Losses have been extremely small and income is more than adequate to cover costs; reserves amounting to \$297 million on June 30, 1953, have been set aside for future contingencies.

Annual dividends have been paid to the Treasury since 1952 at the rate of 2 percent on capital stock.

#### FOREIGN OPERATIONS ADMINISTRATION

As part of its broad program to assist in the restoration of international economic stability and to promote the economic development of underdeveloped areas, the Foreign Operations Administration makes loans to foreign governments. In the fiscal year 1953 loans for special purposes were made to Spain, India, Pakistan, and Afghanistan, and loans for the development of strategic materials to several other countries. The only new loans anticipated for 1954 are for basic materials development.

As successor to the Mutual Security Agency and the Technical Cooperation Administration, the agency also administers loans previously made, including the \$62.5 million loan to Spain and the \$190 million loan to India under the India Emergency Food Act. More than half of the loans outstanding were advanced during 1949, shortly after passage of the Foreign Assistance Act of 1948.

Interest charges on most outstanding loans are 2.5 percent. However, interest on loans for the development of basic materials have been from 4.5 to 5 percent. Costs of administering the loans are financed from funds available for the general administration of the agency. No significant repayments are scheduled till after June 30, 1955.

## SPECIAL ANALYSIS F

## FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION

Public works and other construction activities are necessary for accomplishing many of the functions of the Federal Government. This analysis presents a summary of the authorizations and expenditures for the various Federal construction activities. Detailed information on these activities is presented in part II of the budget under the agency responsible for the activity.

Federal construction activities represent a significant portion of the total construction activities of the Nation. In recent years direct Federal construction has averaged about 12 percent of total construction. In addition, substantial amounts of other public and private construction have resulted from Federal financial assistance.

The volume and types of Federal construction vary from year to year as national needs and objectives change. Economic and fiscal policies, the level of construction prices, and the magnitude of State and local and private construction also influence the Federal program. Because they create demands for materials, equipment, and labor, Federal public works have an important bearing on the level of economic activity throughout the Nation, as well as a direct effect on the total volume of construction. For these reasons an overall analysis of the volume and types of Federal construction activities is useful in the economic appraisal of this aspect of the Federal Government's programs.

The various functions of the Federal Government require a wide variety of public works and structures. These range from small buildings costing less than \$25,000 to large river basin developments or military installations costing several hundreds of millions of dollars. The provision of some of the needed facilities is accomplished directly by the Federal Government as civil or military public works. In other cases the Government aids in the construction of public works in which there is a national interest through loans and grants to States and local governments. Most of the foregoing work is carried on by the private construction industry under contract with Federal, State, or local agencies. In addition, the Federal Government accomplishes some of its objectives by encouraging construction by private industry and individuals through incentives, such as loan guarantees for housing and tax concessions for defense plant expansion.

Some of the public works activities of the Federal Government are concentrated in a few areas of the country, as in the case of the atomic energy plants. Others, such as river and harbor projects and veterans' hospitals, are located throughout the country. Federal-aid highways are under construction in each of the States. Some facilities are constructed outside the United States.

The expenditures shown for public works and other construction in this analysis are budget expenditures rather than the value of work put in place during the year. Although budget expenditures correspond generally to the value of work put in place during the year on federally owned projects, they include only the Federal portion of the cost of the State and local public works aided. Also, Federal expenditures do not reflect the volume of private construction resulting from Federal incentives to industry and individuals.

The total Federal public works expenditures are estimated at \$4.5 billion for the fiscal year 1955. This amount includes \$1.6 billion for civil public works and

\$2.9 billion for national security and other defense construction. This total compares with estimated expenditures of \$4.9 billion in 1954 and actual expenditures of \$5.2 billion in 1953. The decrease reflects the substantial decline from 1953 levels in new authority for civil public works in 1954 and the further reduction proposed for 1955. National security construction expenditures are estimated at slightly less than 1954 levels. Throughout this budget expenditures for atomic energy construction are classified in the national security category.

TABLE 1.—Total public works expenditures

[Fiscal years. In billions]

Type	Expenditures		
	1953 actual	1954 estimate	1955 estimate
Civil public works, including loans and grants.....	\$2.2	\$1.9	\$1.6
National security public works.....	3.0	3.0	2.9
Total.....	5.2	4.9	4.5

In addition to expenditures for civil and national security public works, an estimated \$350 million will be spent in 1955 for Federal assistance to construction activities of various semipublic bodies and private non-profit groups, as well as some international agencies. Certain other Federal programs will stimulate public housing construction and private construction by home owners, farmers, and private businesses—largely through loan guarantees, tax concessions, and procurement contracts.

Authorizations and expenditures for the various Federal public works programs are shown in the detailed table on pages 1147 to 1151. At the end of this table there is shown a reconciliation of the public works expenditures according to the major categories of "Special Analysis D, Investment, operating, and other budget expenditures."

## CIVIL PUBLIC WORKS

Most of the expenditures for Federal civil public works in the fiscal year 1955 will be for projects started in earlier years. After World War II a number of large river basin projects were undertaken, a veterans' hospital program was started, and, following the attack on Korea, an expansion took place in several civil works programs supporting defense. While defense-related construction will continue in 1955 at about the same level as in 1954, the veterans' hospital program and some of the large postwar multiple-purpose projects are now nearing completion.

The recommendations for public works in this budget are based on the policy that as long as national income and employment remain high, public works expenditures should be held to a minimum, consistent with sound provisions for meeting the responsibilities of the Federal Government. This is in line with the administration's policy of encouraging non-Federal interests to formulate plans and undertake developments on their own initiative and responsibility. While, therefore, provision has been made for the starting of some new projects to meet urgent needs, the civil public works program as a whole is largely for continuation of work underway at a minimum eco-



economic rate. Some desirable projects have been postponed, but these will be available for starting later, consistent with sound fiscal and economic policy.

Timing of public works expenditures is one of the means by which Government activities may be used to offset a decline in private construction. To be effective as an anticyclical measure, however, needed public works projects must be planned well in advance so as to be available for undertaking when economic conditions dictate. This budget provides funds for the advance planning of additional Federal projects. It also provides, under proposed legislation, \$10 million to institute a program of loans to State and local governments for the advance planning of their public works.

Table 2 shows expenditures for civil public works by agency and major type of activity. The 1955 total includes \$1,131 million for additions to Federal physical assets through construction of direct Federal projects and \$697 million for additions to State and local assets through Federal grants for highways, airports, schools, hospitals, and other facilities. Loans of \$881 million for State and local public works and repayments of \$1,069 million result in net receipts of \$189 million.

TABLE 2.—Summary of expenditures for civil public works <sup>1</sup>  
(Fiscal years. In millions)

Agency	Expenditures		
	1953 actual	1954 estimate	1955 estimate
Corps of Engineers.....	\$561.4	\$408.1	\$373.1
Tennessee Valley Authority.....	212.4	250.9	291.7
Department of the Interior:			
Bureau of Reclamation.....	192.1	144.1	134.3
Bonneville Power Administration.....	53.4	50.2	42.5
Office of Territories.....	34.0	33.5	40.2
Other Interior.....	34.4	42.0	35.9
Bureau of Public Roads.....	538.1	580.0	570.5
Housing and Home Finance Agency:			
Loans, low-rent public housing (gross).....	924.3	1,122.6	840.9
Repayment of loans.....	• 926.3	• 1,290.3	• 1,038.0
Defense housing and other (net).....	30.1	41.7	3.9
Department of Health, Education, and Welfare.....	209.6	181.4	126.2
Veterans Administration.....	98.5	72.4	58.2
Civil Aeronautics Administration.....	45.6	33.8	20.7
Department of State.....	40.7	12.5	8.9
Treasury Department (net).....	31.9	33.7	6.1
National Advisory Committee for Aeronautics.....	29.1	41.0	24.5
Department of Agriculture.....	14.3	49.2	25.3
Other.....	44.3	79.6	74.4
Total, civil public works.....	2,167.9	1,886.4	1,639.3
SUMMARY BY MAJOR TYPE OF ACTIVITY			
Federally owned public works.....	1,422.3	1,289.4	1,130.6
Grants for State and local public works <sup>2</sup> .....	733.8	740.3	697.4
Loans for State and local public works.....	11.8	• 143.3	• 188.7
Total, civil public works.....	2,167.9	1,886.4	1,639.3

<sup>a</sup> Deduct.

<sup>1</sup> Nonconstruction costs excluded; proposed legislation included.

<sup>2</sup> Includes small amounts of grants distributed directly to public institutions for medical research facilities. These grants are not included in special analysis G, Federal aid to State and local governments.

#### CONTINUING WORK AND NEW PROJECTS

Table 3 classifies the civil public works programs of the Federal agencies as new or continuing, and as direct Federal construction or as loans or grants to non-Federal public agencies for construction. New projects, or features, and new commitments include (a) those direct Federal projects or project features on which construction will be started with appropriations or other types of authorizations recommended for the fiscal year 1955, and (b) the new commitments recommended for the fiscal year 1955 for loan and grant programs.

To carry on projects and programs now underway will require estimated expenditures of \$1.8 billion in 1955, offset in part by net receipts of \$198 million from loan

programs. Expenditures of \$6.2 billion will be necessary in later years to complete these projects. The estimated amount required after the fiscal year 1955 is based largely on current construction prices. Should these costs change before the projects are completed, expenditures would differ accordingly.

The budget recommends starting of work on 6 irrigation and water supply projects, 8 local flood-prevention projects, and 8 navigation projects, 1 of which is recommended for starting in the fiscal year 1954 with supplemental funds. In addition, it provides for resumption of work on 2 flood control reservoirs and 2 river and harbor improvements. These new projects and resumptions are estimated to cost a total of \$184 million, with expenditures of \$20 million scheduled for the fiscal year 1955. Together with the St. Lawrence Seaway, recommended under proposed legislation, this totals to 23 new projects and 4 resumptions in the budget in the water resources programs.

New projects to be started by the Bureau of Reclamation in 1955 include the Middle Rio Grande in New Mexico; the Alamogordo Dam Spillway Enlargement, Carlsbad, N. Mex.; and the Yuma Auxiliary in Arizona. All three of these projects are authorized. Under proposed legislation, construction of the Washita project in Oklahoma and the Santa Maria project in California is also recommended. Starting of work on a new unit of the North Side pumping division of the Minidoka project, Idaho, is also proposed. These are small or intermediate-sized developments. In their selection, consideration has been given to the benefits of supplemental irrigation for established farming areas, to more intensive beneficial use of existing water supplies, and to the ability of the water users to make a reasonable repayment of the investment.

The new flood prevention projects, to be constructed by the Corps of Engineers, are relatively small projects and can be completed within 3 years. The detailed plans preliminary to construction have been completed. Each of the projects has a favorable ratio of benefits to costs and provides for a reasonable degree of financial cooperation by local interests. The eight new starts include flood prevention works at Beardstown, Ill.; Barbourville, Ky.; Anacostia River, Md.; Adams, Mass.; Batavia, N. Y.; Johnsonburg, Pa.; Little Missouri River below Murfreesboro, Ark.; and Kawainui Swamp, Hawaii. Resumption of work is proposed on two flood control reservoirs—Coralville Reservoir in Iowa, and Dillon Reservoir in Ohio, in order to protect and obtain benefits from the Government's earlier investment.

The Corps of Engineers will also start work on six channel and harbor projects—Redwood City Harbor, Calif.; Housatonic River, Conn.; Portland Harbor, Maine; Duluth-Superior Harbor, Minn.-Wis.; Fairfield, N. C.; Missouri River from Omaha, Nebr., to Sioux City, Iowa; and on two lock and dam projects—the Warrior River lock and dam in Alabama and the Green River lock and dam in Kentucky. The latter is proposed for starting in fiscal 1954 with a supplemental appropriation. Also, work will be resumed in 1955 on the Calumet Harbor and River project in Illinois and Indiana; and the Port Aransas-Corpus Christi project in Texas. These projects have been selected to assure expeditious movement of traffic in existing harbors or waterways serving important requirements of commerce or national security. Emphasis has been given to small or intermediate-sized projects for which detailed engineering plans have been completed. Not only do the benefits of these projects exceed their costs but, except for four high-priority projects of national interest, local beneficiaries will make a reasonable financial contribution.



In line with the administration's policy of encouraging State and local undertakings of water resources projects, \$10 million is recommended under proposed legislation to permit the Federal Government to share in the costs of such projects when national benefits warrant.

Among the other new project starts are two veterans' hospitals, some transmission lines for the Bonneville Power Administration, and additional facilities for the National Advisory Committee for Aeronautics. Most of these involve relatively small expenditures.

TABLE 3.—Estimated cost of the 1955 civil public works program, by new and continuing work<sup>1</sup>

[Fiscal years. In millions]

Program	Total estimated cost	Expenditures		
		Cumula- tive to June 30, 1954	Fiscal year 1955	Required to com- plete
<b>Continuing work:</b>				
Direct Federal construction:				
Corps of Engineers.....	\$7, 273.0	\$4, 254.1	\$349.7	\$2, 669.2
Bureau of Reclamation.....	3, 567.5	2, 123.4	127.3	1, 316.8
Tennessee Valley Authority.....	1, 184.9	694.9	291.7	198.3
Veterans' hospitals.....	932.9	818.8	50.7	63.4
Other.....	2, 804.5	1, 608.0	264.1	932.4
Total, direct Federal construction.....	15, 762.8	9, 499.2	1, 083.5	5, 180.1
<b>Grants:</b>				
Federal-aid highways.....	2, 002.7	531.1	544.6	927.0
Federal-aid hospitals and schools.....	779.3	578.1	102.0	99.2
Other.....	256.7	224.6	20.5	11.6
Total, grants.....	3, 038.7	1, 333.8	667.1	1, 037.8
Total, continuing work.....	18, 801.5	10, 833.0	1, 750.6	6, 217.9
<b>New projects, features, and commitments in 1955:</b>				
Direct Federal construction:				
Corps of Engineers.....	109.4	21.4	12.6	75.4
St. Lawrence Seaway (proposed).....	105.0	.....	5.8	99.2
Bureau of Reclamation.....	35.6	6.8	1.6	27.2
Washita and Santa Maria projects (proposed).....	46.2	.3	.4	45.5
Bonneville Power Administration.....	14.0	.....	4.0	10.0
Veterans' hospitals.....	18.5	.....	7.5	11.0
Alaska Railroad.....	9.1	.....	9.1	.....
Air navigation facilities.....	5.0	.....	2.0	3.0
Other.....	13.8	.....	4.1	9.7
Total, direct Federal construction.....	356.6	28.5	47.1	281.0
<b>Grants:</b>				
Federal-aid highways (proposed).....	563.0	.....	.....	563.0
Federal-aid hospitals.....	27.2	.....	15.1	12.1
Proposed.....	33.5	.....	2.7	30.8
Corps of Engineers: Aid for non-Federal projects (proposed).....	5.0	.....	5.0	.....
Bureau of Reclamation: Aid for non-Federal projects (proposed).....	5.0	.....	5.0	.....
Other.....	12.4	.....	2.5	9.9
Total, grants.....	646.1	.....	30.3	615.8
Total, new projects, features, and commitments in 1955.....	1, 002.7	28.5	77.4	896.8
Total, direct Federal construction and grants.....	19, 804.2	10, 861.5	1, 828.0	7, 114.7
<b>Continuing loan programs:</b>				
Low rent housing (net).....	.....	.....	* 197.1	.....
Community facilities (net).....	.....	.....	.6	.....
Total, continuing loans.....	.....	.....	* 197.7	.....
<b>New loan commitments:</b>				
Advance planning of State and local public works (proposed).....	.....	.....	3.0	.....
District of Columbia public works (proposed).....	.....	.....	5.0	.....
Alaska public works.....	.....	.....	1.0	.....
Total, new loans.....	.....	.....	9.0	.....
Total, civil public works (net).....	.....	.....	1, 639.3	.....

\* Deduct, excess of repayments over loans.

<sup>1</sup> Nonconstruction costs excluded.

#### BASIC DATA, PRELIMINARY INVESTIGATIONS, AND DETAILED PLANS

Construction expenditures in this analysis do not include costs of basic data collection and preliminary surveys. These are essential, however, to the efficient and economical design and construction of projects.

**Basic data.**—A total of \$39 million is recommended in the fiscal year 1955 for general coverage data collection, including geodetic surveys and topographic mapping, geologic and soil surveys, and for assembly of hydrologic and climatologic data. These programs, designed to meet a wide variety of nationally important needs, provide data for use in the preliminary planning and investigation of Federal and other construction projects, and reduce the cost of specific project investigations and surveys.

**Preliminary surveys.**—Careful preliminary investigation to determine engineering and economic feasibility is required to produce well-conceived construction projects. Inadequate examination of all the problems involved in project formulation, before authorization, may result in approval of projects having questionable justification or in increased costs. Appropriations and allotments totaling \$15.4 million are recommended for the fiscal year 1955 for preliminary investigations of river-basin and other construction programs under consideration.

This budget includes funds for completion by June 30, 1955, of the comprehensive interagency surveys of the Arkansas-White and Red River Basins and the New England-New York area authorized by the 1950 Flood Control Act.

**Detailed planning.**—Detailed project planning costs are included in construction costs in this analysis. Preparation of these plans well in advance of construction provides for orderly programming of project construction and prevents expensive changes in project designs during the construction period. Such planning also provides an opportunity to verify the economic feasibility and the relative merits of projects as well as the estimated costs, before construction is started. Funds for advance preparation of plans in fiscal 1955 are estimated at \$9.5 million. This total includes \$4.3 million to enable the Corps of Engineers and the Bureau of Reclamation to plan a limited number of high-priority projects already authorized by the Congress. In addition, a substantial amount of planning is carried on as construction progresses on large water resource projects.

#### RESERVE OF PUBLIC WORKS PROJECTS

**Authorized work.**—In addition to the commitments to complete work now underway or work to be started in 1955, agency reports indicate that, on the basis of present prices, \$12 billion of construction work has been authorized, either by general or specific legislation. This work is available for undertaking at such time as economic conditions warrant and when funds are provided. About \$9 billion of this authorized work is included in the river-basin programs of the Corps of Engineers, the Bureau of Reclamation, and the Tennessee Valley Authority.



TABLE 4.—Reserve of authorized projects and programs after fiscal year 1955, by agency

	Total cost of projects (billions)
Projects authorized by specific legislation:	
Corps of Engineers.....	\$4.9
Bureau of Reclamation.....	3.0
Public Buildings Service.....	0.5
Other agencies.....	0.7
Projects or programs considered to be authorized by general legislation:	
Tennessee Valley Authority.....	1.2
Forest Service.....	0.8
Other agencies.....	0.9
Total.....	12.0

*Planned projects.*—By the end of the current fiscal year, Federal agencies will have an estimated \$1.2 billion of authorized projects planned to a stage where construction could be started, and advance planning in various stages of completion on an additional \$3.5 billion. Comparable totals for 1955 are estimated at \$1.7 billion and \$3.1 billion, respectively. Most of this planned reserve consists of water resources projects. By the end of 1955, the Corps of Engineers will have completed planning on about \$1 billion of work, and the Bureau of Reclamation about \$400 million. In addition, the Corps of Engineers will have planning in process on another \$1 billion of work, and the Bureau of Reclamation will have planning underway on \$800 million of work.

## PROGRAMS BY MAJOR FUNCTION AND TYPE OF FACILITY

Civil public works expenditures are classified in table 5, following, according to the major functions to which they relate. Nearly all of the functions of the Federal Government require some public works of one type or another. However, almost 95 percent of the civil public works expenditures in 1955 will be for two major functions—the development of natural resources and the provision of transportation facilities. The remaining expenditures are spread over the other functions of the Government.

In some cases, public works expenditures represent only a small part of the total cost of the programs carried out under that function. For example, in the agriculture and agricultural resources function, expenditures for construction are estimated to be \$10 million out of a total for the function of \$2.4 billion in 1955. On the other hand, about three-quarters of the expenditures for the natural resources function are outlays for works and structures of various types.

The type and amount of financial assistance to non-Federal interests also varies among functions. Most of the works previously undertaken in the area of resources development have been Federal projects, with the exception of the upstream flood prevention program of the Department of Agriculture. Non-Federal interests have usually borne only a minor share of the costs. This is also true of the general government function, under which administrative buildings of the Federal Government are classified. In contrast, the national interest in some fields of transportation is furthered by grants to State and local governments for such non-Federal programs as highway construction. In the field of housing, Federal assistance takes the form of loans or loan guarantees.

TABLE 5.—Federal civil public works expenditures by major function and type of facility<sup>1</sup>

[Fiscal years. In millions]			
Major function and type of facility	1953 actual	1954 estimate	1955 estimate
Veterans' services and benefits.....	\$102.4	\$75.0	\$63.3
Veterans' hospitals and other facilities.....	98.5	72.4	58.2
Cemeteries and memorials.....	3.9	2.6	5.1
International affairs and finance.....	27.0	13.9	9.4
Radio facilities.....	22.1	9.8	4.0
Foreign service buildings.....	4.9	4.1	5.4
Social security, welfare, and health.....	76.9	63.9	60.3
Hospitals.....	60.1	49.1	55.5
Medical and public health research facilities.....	14.3	9.6	1.8
Defense community facilities for public health.....	1.1	3.5	2.0
Federal prison facilities.....	1.4	1.7	1.0
Housing and community development.....	45.9	• 97.5	• 190.4
Community facilities.....	11.8	27.3	• 5.7
Low-rent public housing (net loans).....	• 2.0	• 167.7	• 197.1
Defense and veterans' housing.....	27.4	31.5	.7
Public works in Alaska and Virgin Islands.....	8.7	11.4	11.7
Education and general research.....	135.7	122.5	73.0
School construction grants.....	134.3	120.4	72.0
Research facilities.....	1.4	2.1	1.0
Agriculture and agricultural resources.....	2.1	29.5	10.3
Grain storage facilities.....	.8	26.0	1.7
Water conservation and flood prevention works.....	1.2	1.3	1.2
Research facilities.....	.1	2.2	7.4
Natural resources.....	1,026.9	889.2	849.8
Water resources and related development for irrigation, flood control, navigation and power.....	987.2	836.3	803.2
Forest roads and other structures.....	12.8	22.1	17.5
Roads, buildings and utilities on Indian lands.....	11.1	13.6	14.0
Mineral and other research facilities.....	3.2	3.2	.5
Fish hatcheries and wildlife refuges.....	1.3	2.0	1.6
Parkways, roads, buildings, and utilities in national parks.....	11.3	12.0	13.0
Transportation and communication.....	703.7	737.8	699.2
Water-navigation aids and facilities.....	58.2	52.5	50.2
Federal-aid highways.....	499.9	532.5	544.6
Forest highways and other road construction.....	55.9	63.0	39.4
Airports.....	28.7	19.2	8.7
Air-navigation facilities.....	16.9	14.5	12.0
Research facilities.....	29.1	41.1	25.0
Alaska Railroad and other.....	15.0	15.0	19.3
Finance, commerce, and industry: Synthetic rubber and other production plants.....	24.2	26.6	38.0
General government: Federal Government buildings and facilities.....	23.1	25.5	26.4
Total, civil public works.....	2,167.9	1,886.4	1,639.3

• Deduct, excess of repayments over loans.

<sup>1</sup> Nonconstruction costs excluded; proposed legislation included.

*Natural resources.*—Expenditures for natural resources make up 52 percent of the total outlays for civil public works in the fiscal year 1955 and about 47 percent in 1954. Multiple-purpose development of river basins for flood control, irrigation and water supply, hydroelectric power, and related purposes account for 95 percent of these expenditures. Construction expenditures in 1955 for the conservation and development of forest, mineral, park, fish and wildlife resources, and the resources of Indian lands will amount to \$46.6 million.

Completion of the facilities underway or recommended in 1955 will necessitate a relatively high level of expenditures under this function for several years. Major river basin development projects, costing in some cases \$200



million to \$300 million, require from 3 to 10 years for completion, with substantial outlays in peak construction years.

*Transportation and communication.*—Transportation facilities also account for a large share, about one-third, of the expenditures for civil public works in 1955. Largest expenditures are for the Federal-aid highway program. An authorization of \$575 million is currently available under the Federal Aid Highway Act of 1952 for grants to States under this program. The budget includes, under proposed legislation, new authorizations for the Federal aid and forest highway programs for the fiscal year 1955. Under proposed legislation, funds are recommended for the United States section of the St. Lawrence Seaway. This is estimated to cost in total \$105 million. Most of the remaining expenditures are for construction of forest highways, Alaska roads, the Alaska Railroad, Federal and Federal-aid airports, and air and water navigation aids and facilities.

Construction expenditures by the National Advisory Committee for Aeronautics for research facilities will decrease from \$41 million in 1954 to \$24.5 million in 1955 because a major portion of the construction and modernization programs begun in previous years will be approaching completion. The new projects to be undertaken in 1955 amount to \$5 million, and include special facilities for research on rocket engines and high-speed seaplanes and a number of important modifications to increase the usefulness of existing wind tunnels and engine test facilities.

*Veterans' services and benefits.*—During the fiscal year 1954, work will continue on the construction program for Veterans Administration hospitals, authorized in 1947, consisting of 77 hospital projects to provide 37,740 beds, 2 new regional offices on existing hospital sites, and the major alteration and renovation of existing hospitals and homes. All but 4 of the 77 hospitals in this program will be under contract by the end of 1954, and 2 of these 4 are expected to be placed under contract in 1955. They will be located in San Francisco, Calif., and Topeka, Kans.

The 1955 budget also makes provision for carrying on construction work in 14 United States military cemeteries on foreign battlegrounds, as well as the construction of drainage lines, structures and buildings, fences, and drives in cemeteries in this country.

*International security and foreign relations.*—Public works activities under this function provide for the construction of office buildings for the United States Government abroad, for living quarters where necessary, and for completion of certain facilities in the overseas radio network of the "Voice of America."

*Social security, welfare, and health.*—The Federal Government shares in the cost of construction of hospitals and public-health centers through grants to public agencies and nonprofit institutions. In the fiscal year 1955, approval is anticipated on 200 projects, and a total of \$657 million will have been made available by the end of the year. The fiscal year 1957 is the last year for which allocations are authorized. Under proposed legislation this program will be broadened in scope to include other facilities such as chronic disease hospitals, nursing homes and diagnostic centers. Grants for State surveys of needs in these areas are also to be provided. Only the grants made to public agencies are included in the public-works total; those for private nonprofit hospitals are shown in table 8. Research facilities for public health, water and sewage plants, and other community facilities needed for public health in defense areas as well as build-

ings and improvements at Federal prisons are also included under this function.

*Housing and community development.*—The Federal Government encourages the construction of low-rent public housing units through loans to local housing authorities. The 1955 budget provides construction of 35,000 units, as compared with 20,000 units provided for by the Congress in 1954 and the annual average of 135,000 units a year for 6 years authorized in the Housing Act of 1949. Other expenditures under this function consist largely of grants and loans for community facilities, including water and sewage systems, and for the provision of public works in Alaska.

*Education and general research.*—Federal grants are made for school construction in defense areas and in districts burdened by Federal activities. These grants constitute the major part of public works expenditures for education. Under existing legislation no additional projects are eligible after 1954 and no appropriations are to be made after 1955. This budget provides \$39.5 million to complete payments to the most urgent cases.

*Agriculture and agricultural resources.*—Construction of a laboratory for research on foot-and-mouth disease is expected to begin in the fiscal year 1954 and to continue in 1955. Upstream conservation and flood-prevention work, including diversion ditches, floodways, and flood-water-retarding structures, will be continued in 1955 in 11 watershed areas, authorized under the 1936 Flood Control Act, and in a number of small experimental watershed treatment areas under a program started in 1954. In addition, funds are provided under proposed legislation to permit the Department of Agriculture to cooperate with States and local groups, in building small water control and utilization structures in upstream areas. Expenditures in succeeding years may be expected to increase as this work progresses.

*Finance, commerce and industry.*—The synthetic rubber facilities operated by the Reconstruction Finance Corporation are being offered for sale, and transfer of the facilities to private operation is anticipated near the end of 1955. Capital expenditures estimated for 1954 and 1955 include only amounts necessary for the replacement of worn-out or obsolete facilities.

The national industrial reserve includes nickel-producing and other defense production facilities which have been placed in operation as part of the defense effort. The more recent modifications of plant facilities have been financed under the borrowing authority provided in the Defense Production Act.

*General government.*—Public works classified under this function include the administrative buildings required to carry on the Government's business. There is at present no general public-buildings construction program underway; this type of construction has been deferred since the start of World War II. A few projects of an urgent character were undertaken, however, and work on these will continue. Grants are recommended for construction of some public works in Samoa and the Trust Territory of the Pacific Islands. Loans to the District of Columbia will partially finance the District's public works program.

*Types of facilities.*—The foregoing discussion of the public works expenditures according to major functions indicates that the Federal Government requires a wide diversity of facilities to carry out its responsibilities. Also, as is shown in table 5, the same general type of facility is sometimes needed in carrying out several major functions. A summary of Federal public works accord-



ing to type of facility would be useful in various analyses. Budget classifications and expenditure estimates, however, do not permit a complete analysis on this basis.

A major group of related types of facilities includes those required for water resources development, such as levees, floodwalls, locks, dams, reservoirs, canals, pumping plants, power generation and transmission facilities, and various other facilities. These are discussed in some detail in the analysis of water resources development following.

A number of agencies construct highways, roads, and bridges. Most of these activities are classified under the transportation and communication function, where an estimated \$545 million will be spent in 1955 on the Federal-aid primary, secondary, urban, and interstate highway systems. These systems now have a combined mileage of about 695,000 miles. Other highway and road expenditures in 1954 and 1955 will provide for construction and improvement of some 760 miles of forest highways, and in 1955, about 120 miles of roads and trails in national parks, progress on 4 parkways, construction and improvement of Alaska roads, as well as construction of roads on Indian lands and development roads for access to timber in the national forests and public-domain lands. The construction of large dams and reservoirs frequently requires relocation of highways and new road construction. Details shown in the budget, however, do not provide the basis for segregating these expenditures from the costs of the reservoirs.

Other types of facilities which are constructed under several major functions include hospitals, schools, research facilities, and housing and community facilities. In addition to expenditures of \$58 million for veterans' hospitals in 1955, \$8 million will be spent for hospitals in the District of Columbia and \$48 million for Federal grants to States for public hospital construction. Grants for nonpublic hospitals, shown in table 8, are estimated at \$40 million.

Most of the expenditure for housing and community development are classified under that function, although some construction of these types occurs under other functions. Employees' quarters will be under construction by the Panama Canal Company and a few by other agencies.

Research facilities are needed to carry on the Government's activities in a number of fields. Construction of these facilities will require about \$35 million in 1955.

The estimated expenditures for the various types of facilities discussed above would be much larger if they included the amounts for construction for national security. These programs are discussed on page 1145 and shown in the table on page 1151.

#### WATER RESOURCES AND RELATED DEVELOPMENT

The civil works programs of the Federal Government are classified in the budget according to the major functions which they serve, as shown in table 5. However, some activities cut across several of the functional categories. An important example of this is the Federal Government's overall program for water resources and related developments. While the major part of this work is classified under natural resources, other water resource developments are carried out under programs for agriculture and agricultural resources and transportation and communication. Expenditures for all of these water resources and related developments are estimated at \$848 million in the fiscal year 1955 as compared to \$869 million in the year 1954.

TABLE 6.—Expenditures for water resource and related development<sup>1</sup>

[Fiscal years. In millions]

	Functional code No.	1953 actual	1954 estimate	1955 estimate
Predominantly single-purpose projects:				
Flood control works:				
Corps of Engineers.....	401	\$176.1	\$91.2	\$97.0
Bureau of Reclamation.....	401	8.1	9.2	10.3
Department of Agriculture and other.....	354	.8	.9	1.4
Total, flood control works.....		185.0	101.3	108.7
Irrigation and water conservation works:				
Bureau of Reclamation.....	401	85.5	66.8	66.6
Proposed legislation.....	401			.4
Bureau of Indian Affairs.....	401	3.6	4.9	3.0
Department of Agriculture.....	354	.4	.7	.5
Total, irrigation works.....		89.5	72.4	70.5
Navigation facilities:				
Corps of Engineers.....	452	52.5	33.5	40.2
St. Lawrence Seaway (proposed).....	452			5.8
Total, predominantly single-purpose projects.....		327.0	207.2	225.2
Multiple-purpose dams and reservoirs with hydroelectric power facilities:				
Tennessee Valley Authority.....	401	22.8	13.0	6.8
Bureau of Reclamation.....	401	70.5	47.0	34.3
Aid for non-Federal projects (proposed).....	401			5.0
Corps of Engineers.....	401	332.9	282.7	223.1
Aid for non-Federal projects (proposed).....	401			5.0
International Boundary and Water Commission and other.....	401	13.8	8.3	4.6
Total, multiple-purpose facilities.....		440.0	351.0	278.8
Steam-electric power plants: Tennessee Valley Authority.....	401	152.2	192.0	243.3
Power transmission facilities:				
Tennessee Valley Authority.....	401	33.5	44.0	39.5
Bonneville Power Administration.....	401	53.4	50.2	42.5
Southeastern Power Administration.....	401	.4	(*)	(*)
Southwestern Power Administration.....	401	2.9	3.7	1.3
Bureau of Reclamation.....	401	28.0	21.1	17.6
Total, power transmission facilities.....		118.2	119.0	100.9
Total, water resources and related development.....		1,037.4	869.2	848.2

\* Less than \$50,000.

<sup>1</sup> Nonconstruction costs excluded.

*Flood control.*—The flood control work of the Federal Government is carried on principally through the programs of the Corps of Engineers and the Tennessee Valley Authority. The programs of the Department of Agriculture and the Bureau of Reclamation also include flood control or flood prevention. The flood control program of the Corps of Engineers is nationwide in scope except for the Tennessee Valley area. It involves the construction of storage reservoirs for flood control, hydroelectric power and related purposes; the construction of protecting levees and flood walls; and the improvement of channels. In 1955, emphasis will continue on protective works in the Mississippi River and its principal tributaries, particularly the Missouri. Large flood control projects are also underway in the Los Angeles and Central Valley areas of California and in central and southern Florida. Nine flood control projects and four multiple-purpose projects with flood control benefits will be substantially completed in 1955. In 1953 work was accomplished on 160 predominantly flood control projects as well as on 25 multiple-purpose projects with flood control benefits. Eight new local flood prevention projects are included in this budget, and resumption of work is proposed on two flood control reservoirs previously deferred. Work of the Tennessee



Valley Authority is generally similar to that of the Corps of Engineers but is confined to the Tennessee Valley.

*Navigation.*—Navigation facilities are provided primarily through the rivers and harbors program of the Corps of Engineers, except in the Tennessee Valley where such facilities are constructed by the Tennessee Valley Authority. Some of the multiple-purpose projects of the Bureau of Reclamation also produce navigation benefits through regulation of low-water river flows and prevention of sedimentation. Navigation projects of the Corps of Engineers include improvement of channels and harbors, construction of locks, dams and canals, and shore protection work, as well as multiple-purpose projects with navigation benefits in addition to power and other features. Tennessee Valley Authority projects are generally similar except that no shore protection work is done. Five channel and harbor projects, 1 lock and dam, and 1 multiple-purpose project with navigation features will be substantially completed by the Corps of Engineers in 1955. In 1953 work was accomplished on 39 navigation projects as well as on 7 multiple-purpose projects with navigation features. In 1955 construction will be initiated or resumed on 8 channel and harbor projects and on 1 lock and dam, and will be continued on 1 lock and dam project scheduled for initiation in 1954 with supplemental appropriations. These projects are exclusive of the St. Lawrence seaway.

*Irrigation.*—The Federal program of land reclamation by irrigation is limited to the 17 Western States and is carried on principally by the Bureau of Reclamation. Some additional works are constructed by the Bureau of Indian Affairs on Indian lands. Irrigation benefits also result from some multiple-purpose projects of the Corps of Engineers.

The Bureau of Reclamation program consists primarily of continuation of construction on 58 irrigation and power projects, including the Eklutna project in Alaska and 20 units in the Missouri River Basin. Approximately 59 percent of the recommended appropriation will be for seven major developments, as follows: The Central Valley and Solano projects in California, Columbia Basin in Washington, Palisades in Idaho, Weber Basin in Utah, Lower Marias unit in Montana, and Webster unit in Kansas.

The Bureau of Reclamation will start construction of five new irrigation and water supply projects and a new unit of an existing irrigation project.

Bureau of Reclamation facilities scheduled for completion in 1955 will provide a full water supply for 128,100 new acres and a supplemental water supply for 169,700 acres of presently irrigated land.

*Summary of Federal electric power activities.*—Much of the Federal water resource development program includes provision for the generation of electric power. This power is produced at hydroelectric facilities included in multiple-purpose reservoir projects such as those constructed by the Bureau of Reclamation, the Corps of Engineers, and the Tennessee Valley Authority, and at steam electric plants constructed by the Tennessee Valley Authority to meet increased regional and Atomic Energy Commission demands for electric power.

Generating capacity installed by Federal power agencies now amounts to 11.9 million kilowatts, or about 13 percent of total United States capacity and, when projects now underway are completed, will total 22.8 million kilowatts. Six million kilowatts of capacity is scheduled for completion by the end of 1955, which will bring the total to 17.9 million kilowatts by that date.

TABLE 7.—Federal electric power generation presently scheduled (name-plate capacity)

[ Million kilowatts ]

Agency	Dec. 31, 1953	Ultimate
Corps of Engineers.....	2.2	8.1
Bureau of Reclamation.....	4.6	5.2
Tennessee Valley Authority.....	5.1	9.4
International Boundary and Water Commission.....		.1
Total.....	11.9	22.8

Marketing of the power from Federal facilities will require the addition of 1,405 miles of transmission lines in 1955 and will bring the total mileage in operation by the end of 1955 up to about 26,100 miles.

#### NATIONAL SECURITY CONSTRUCTION

Expenditures for major direct Federal military and other national security construction are shown on page 1151 of the detailed table. The amounts shown do not reflect the large volume of private construction stimulated by the military procurement program for aircraft and similar equipment.

*Department of Defense, military public works.*—Military public works include both overseas and domestic installations of operational, tactical, logistical, training, and testing facilities for the Air Force, Army, and Navy. Some additional facilities are being constructed for the civilian components reserves and the National Guard. Construction of housing and operational buildings for the Alaska communications system is continuing. The second barrel to the Navy's San Diego aqueduct is expected to be completed during the fiscal year 1956. Expenditures for these purposes, estimated at \$1.65 billion in 1955, will be slightly below the 1954 level.

*Other national security construction.*—This category describes construction activities of agencies other than the Department of Defense which are directly related to the national security program.

Construction expenditures of the Atomic Energy Commission in 1955 will be chiefly for continued work on the expansion program for which funds were appropriated in the fiscal year 1953. This program includes large additions to the production facilities at Hanford, Wash.; Oak Ridge, Tenn.; and Paducah, Ky.; and a new plant at Portsmouth, Ohio. Work will continue at the Savannah River site. Work will go forward on an atomic power reactor, a large particle accelerator and other research and development machines and facilities. New projects proposed for 1955 total considerably less than those for 1954 and include uranium ore processing plants, some weapons plant additions, and certain research and development facilities necessary to the reactor development, physical research and weapons programs.

Construction of tank capacity and covered warehouse space needed to store the stockpile of strategic and critical materials will be completed in 1955.

#### OTHER FEDERAL ACTIVITIES IN CONSTRUCTION

In addition to civil and national security public works, there are other types of Federal activities, involving loans, loan guarantees, grants, or direct Federal expenditures, which affect or involve construction. The distinguishing feature of these expenditures is that they contribute principally to the physical assets of international public bodies, of semipublic and private groups, or of individuals, whereas public works are limited both in the foregoing sections of this analysis and in the "Character analysis of



budget expenditures" (Analysis D) to additions to Federal, State, and local governmental physical assets.

#### INTERNATIONAL AND SEMIPUBLIC WORKS

One important group of these programs consists of Federal aid for international public works and semipublic works programs, shown in table 8.

TABLE 8.—Federal expenditures for international public works and for semipublic works<sup>1</sup>

(Not including civil public works)

[Fiscal years. In millions]

Program	1953 actual	1954 estimate	1955 estimate
Loan to United Nations, gross.....	\$3.4		
Rama Road, Nicaragua.....		\$0.5	\$1.0
Inter-American Highway (Costa Rica).....	.2		
Inter-American Highway.....	2.4	3.5	2.7
The Philippines, grants for veterans' hospital construction.....	2.2	11.7	1.6
Grants for nonpublic hospital construction.....	49.7	37.6	37.7
Proposed legislation.....			2.3
Grants for hospital facilities in the District of Columbia.....		.9	2.6
Rural Electrification Administration loans, gross.....	231.5	242.0	225.0
Watershed protection and flood prevention (Agriculture).....	4.3	8.2	9.3
Proposed legislation.....			2.4
Loans to educational institutions, gross.....	14.1	36.9	62.1
National Heart and Cancer Institutes, aids for nonpublic research construction.....	1.0	.3	
Howard University, construction.....	1.9	2.6	2.9
Columbia Institute for the Deaf.....	.1	(?)	.2
Total.....	310.8	344.2	349.8

<sup>1</sup> Nonconstruction costs excluded.

<sup>2</sup> Less than \$50,000.

As part of our international responsibilities, the United States is helping to construct inter-American highways in Costa Rica and Nicaragua and to build hospitals in the Philippines for the veterans. Table 8 does not indicate the assistance given under the NATO and mutual security programs for the construction of facilities needed in the common defense.

The largest of the semipublic works programs is that of the Rural Electrification Administration. This agency makes loans primarily to rural cooperatives to finance electrification facilities to serve rural areas. The program was initiated in 1935 when less than 11 percent of the farms in the United States had electricity, as compared to 91 percent at present. Loans through calendar year 1953 total \$2.8 billion. The agency also makes loans to provide and improve rural telephone facilities, a program initiated in 1950, when only 38 percent of farms had telephones.

To achieve better balance between upstream and downstream activities in flood control and conservation, the existing upstream watershed protection and flood prevention program of the Department of Agriculture will be supplemented through the provision, under proposed legis-

lation, of \$3 million for small water control and utilization developments.

Grants for hospital construction are made to States for both public and private hospitals. The grants for public hospitals are classified as public works. Grants for private hospitals, most of them nonprofit hospitals, represent about 46 percent of the total hospital grants. (See Special Analysis G, Federal aid to State and local governments.)

Construction of a preclinical medical building at Howard University and a library-classroom building at the Columbia Institution for the Deaf will also be undertaken in 1955.

#### AIDS FOR PRIVATE CONSTRUCTION

Another group of Federal programs consists of loans, loan guarantees, tax concessions, and occasionally grants, direct aid, and other incentives. These programs stimulate construction by farmers, homeowners, and business. This construction adds up to an important segment of the Nation's total construction and, with special reference to the national security program, has helped to provide the large volume of essential industrial expansion.

The Farmers' Home Administration makes various types of loans for farmhouses, buildings, and water facilities. A part of the Department of Agriculture programs for flood prevention activities includes direct construction of control structures on farmers' lands. The Commodity Credit Corporation makes loans for the construction or expansion of grain-storage facilities and provides storage-use guarantees to encourage the construction of commercial storage facilities.

In the field of housing, the Federal Housing Administration and the Veterans Administration operate programs for the insurance or guarantee of mortgages on private homes.

Under the Defense Production Act and related legislation, incentives are provided to encourage construction of plants needed for national security. Certificates of necessity have been issued to permit rapid tax amortization of facilities whose total value is about \$29 billion. Many of the substantial expansions in the steel, aluminum, petroleum refining, electric power, and similar industries have received this type of assistance. Under the \$2.1 billion borrowing authority in the Defense Production Act, loans, advances against production, guaranteed prices, and purchase contracts at higher than ceiling prices are also provided. Most of the desired expansion activities under these programs, required to achieve mobilization objectives, have already been initiated.

The loans and loan guarantee programs, including those having a major impact on private construction activities, are discussed in Special Analysis E, relating to Federal credit programs.

SPECIAL ANALYSIS F—Continued  
BUDGET AUTHORIZATIONS AND EXPENDITURES FOR CIVIL PUBLIC WORKS<sup>1</sup>  
BY MAJOR FUNCTION AND AGENCY

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES									
		1953 enacted	1954 enacted or proposed	1955 recommended or proposed	1953 actual	1954 estimate	1955 estimate							
VETERANS' SERVICES AND BENEFITS														
Veterans Administration:														
Hospital and domiciliary facilities, including alterations	105	\$58,541,000*	\$17,500,000	\$42,400,000	\$98,453,068	\$72,196,746	\$58,226,796							
Administrative facilities	106				77,381	161,253								
Total, Veterans Administration		58,541,000	17,500,000	42,400,000	98,530,449	72,357,999	58,226,796							
Department of the Army—Civil Functions: Quartermaster Corps: Cemeteries								106	80,000	185,000	530,000	346,000	90,000	238,000
American Battle Monuments Commission: Memorials and cemeteries on foreign battlegrounds	106	500,000	8,500,000	3,500,000	3,549,883	2,500,000	4,800,000							
Total, veterans' services and benefits		59,121,000	26,185,000	46,430,000	102,426,332	74,947,999	63,264,796							
INTERNATIONAL AFFAIRS AND FINANCE														
United States Information Agency: Radio facilities								153				9,275,000	3,975,000	
Department of State:														
Radio facilities	153				22,044,000	500,000								
Foreign Service Buildings	151	3,685,000	3,992,000	1,375,000	4,941,826	4,104,000	5,460,000							
Total, Department of State		3,685,000	3,992,000	1,375,000	26,985,826	4,604,000	5,460,000							
Total, international affairs and finance		3,685,000	3,992,000	1,375,000	26,985,826	13,879,000	9,435,000							
SOCIAL SECURITY, WELFARE, AND HEALTH														
Department of Health, Education, and Welfare:														
Public Health Service:														
Grants for hospital construction	206	40,800,000	35,360,000	27,200,000	59,246,000	44,832,000	44,990,000							
Proposed legislation	206			33,500,000			2,700,000							
Grants for medical research facilities	206				3,020,000	1,330,000								
Federal research facilities	206				11,288,000	8,267,000	1,811,000							
Saint Elizabeths Hospital: Hospital buildings	206	6,125,000			630,652	3,056,588	2,615,000							
Office of the Administrator: Defense community facilities, grants	208				1,078,571	3,500,000	2,000,000							
Total, Department of Health, Education, and Welfare		46,925,000	35,360,000	60,700,000	75,263,223	60,985,588	54,116,000							
General Services Administration: Hospital facilities, District of Columbia	206				190,542	1,200,000	5,225,000							
Department of Justice: Federal prison facilities	207	124,000	190,000		1,429,272	1,706,000	945,000							
Total, social security, welfare, and health		47,049,000	35,550,000	60,700,000	76,883,037	63,891,588	60,286,000							
HOUSING AND COMMUNITY DEVELOPMENT														
Housing and Home Finance Agency:														
Office of the Administrator:														
Defense community facilities, grants	254				2,434,000	10,881,000	3,397,000							
Planning advances and defense community facilities:														
Loans	254				4,128,000	3,019,000	332,000							
Repayments	254				• 3,856,000	• 3,710,000	• 3,532,000							
Advance planning of local public works, loans (proposed legislation)	254		10,000,000				3,000,000							
Total, Office of the Administrator			10,000,000		2,706,000	10,190,000	3,197,000							
Public Housing Administration:														
Low-rent public housing program:														
Loans	251				924,337,000	1,122,595,000	840,915,000							
Repayments	251				• 926,334,000	• 1,290,295,000	• 1,038,048,000							
Veterans re-use housing, grants	251				511,000	262,000	174,000							
Defense housing	257	50,000,000			26,893,000	31,200,000	500,000							
Total, Public Housing Administration		50,000,000			25,407,000	• 136,238,000	• 196,459,000							
Total, Housing and Home Finance Agency		50,000,000	10,000,000		28,113,000	• 126,048,000	• 193,262,000							
General Services Administration: Grants for community facilities, defense public works	254	2,788			9,288	11,970	12,000							

\* Deduct.

<sup>1</sup> Budget authorizations consist of appropriations, reappropriations, contract authorizations, and authorizations to expend from public debt receipts. New authorizations include authorizations made available in the year indicated, except appropriations to liquidate prior year contract authorizations. This table includes only that part of the authorization or expenditures used for construction.



SPECIAL ANALYSIS F—Continued  
**BUDGET AUTHORIZATIONS AND EXPENDITURES FOR CIVIL PUBLIC WORKS<sup>1</sup>—Continued**  
 BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1953 enacted	1954 enacted or proposed	1955 recommended or proposed	1953 actual	1954 estimate	1955 estimate
<b>HOUSING AND COMMUNITY DEVELOPMENT—Con.</b>							
<b>Treasury Department (Reconstruction Finance Corporation):</b> Provision of community facilities:							
Loans.....	254				\$10,315,600	\$22,329,000	\$18,800,000
Repayments.....	254				• 1,221,758	• 5,214,000	• 27,700,000
<b>Department of the Interior:</b> Office of Territories:							
Virgin Islands public works, grant.....	254	\$1,099,680	\$1,100,000	\$390,000	1,411,927	2,405,089	1,700,000
Alaska public works, grant.....	254	6,604,100	6,000,000	2,500,000	3,638,466	4,500,000	5,000,000
Alaska public works, loan.....	254	6,604,100	6,000,000	2,500,000	3,638,466	4,500,000	5,000,000
Total, Department of the Interior.....		14,307,880	13,100,000	5,890,000	8,688,859	11,405,089	11,700,000
Total, housing and community development.....		64,310,668	23,100,000	5,890,000	45,904,989	• 97,515,941	• 190,450,000
<b>EDUCATION AND GENERAL RESEARCH</b>							
<b>Department of Health, Education, and Welfare:</b> Office of Education: School construction grants.....							
	301	193,625,000	69,500,000	39,475,000	134,277,978	120,353,000	72,057,000
<b>General Services Administration:</b> Geophysical Institute, Alaska.....							
	304				3,950		
<b>Department of Commerce:</b> National Bureau of Standards: Laboratories.....							
	304	131,000			1,454,083	2,115,368	979,601
Total, education and general research.....		193,756,000	69,500,000	39,475,000	135,736,011	122,468,368	73,036,601
<b>AGRICULTURE AND AGRICULTURAL RESOURCES</b>							
<b>Department of Agriculture:</b>							
Commodity Credit Corporation: Storage facilities.....	351				822,000	26,000,000	1,750,000
Soil Conservation Service: Water conservation and flood prevention.....	354	845,500	1,315,000	1,110,000	1,159,594	1,304,000	1,152,000
<b>Agricultural Research Service:</b>							
Laboratory and other research facilities.....	355	30,000	50,000	20,000	117,213	2,173,000	7,238,000
Research facilities, grants.....	355	35,000	60,000	200,000	33,000	60,000	200,000
Total, Department of Agriculture.....		910,500	1,425,000	1,330,000	2,131,807	29,537,000	10,340,000
<b>Department of the Interior:</b> Bureau of Reclamation: Water conservation and utility projects.....							
	354				10,925		
Total, agriculture and agricultural resources.....		910,500	1,425,000	1,330,000	2,142,732	29,537,000	10,340,000
<b>NATURAL RESOURCES</b>							
<b>Tennessee Valley Authority:</b> Power and chemical facilities.....							
	401	327,498,000	180,931,000	134,269,000	212,390,000	250,880,000	291,690,000
<b>Department of Agriculture:</b> Forest Service: Forest roads and protective facilities.....							
	402	14,536,000	13,733,000	15,192,000	12,150,538	19,610,000	14,985,000
<b>Department of the Army—Civil Functions:</b> Corps of Engineers:							
Flood-control projects and multiple-purpose projects with power.....	401	421,521,000	292,482,000	303,312,000	508,860,894	374,582,000	322,100,000
Aid for non-Federal developments (proposed legislation).....	401			5,000,000			5,000,000
Total, Department of the Army—Civil Functions.....		421,521,000	292,482,000	308,312,000	508,860,894	374,582,000	327,100,000
<b>Department of the Interior:</b>							
<b>Power transmission facilities:</b>							
Southwestern Power Administration.....	401	3,020,000			2,887,581	3,732,000	1,300,000
Southeastern Power Administration.....	401	959,500			383,326	9,770	15,000
Bonneville Power Administration.....	401	62,427,000	42,066,000	30,200,000	53,422,618	50,165,951	42,500,000
Bureau of Land Management: Access roads.....	401	2,750,000	2,000,000	3,000,000	653,503	2,500,000	2,500,000
Bureau of Indian Affairs: Irrigation works, roads, buildings and utilities.....	401	16,120,000	15,869,000	10,336,000	14,688,578	18,500,000	17,000,000
Bureau of Reclamation: Irrigation and multiple-purpose projects with power.....	401	170,401,000	112,313,000	121,838,000	192,072,000	144,062,000	128,860,000
Washita and Santa Maria projects (proposed legislation).....	401			500,000			400,000
Aid for non-Federal developments (proposed legislation).....	401			5,000,000			5,000,000

• Deduct.

<sup>1</sup> Budget authorizations consist of appropriations, reappropriations, contract authorizations, and authorizations to expend from public debt receipts. New authorizations include authorizations made available in the year indicated, except appropriations to liquidate prior year contract authorizations. This table includes only that part of the authorization or expenditures used for construction.

SPECIAL ANALYSIS F—Continued  
**BUDGET AUTHORIZATIONS AND EXPENDITURES FOR CIVIL PUBLIC WORKS**<sup>1</sup>—Continued  
 BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1953 enacted	1954 enacted or proposed	1955 recom- mended or proposed	1953 actual	1954 estimate	1955 estimate
NATURAL RESOURCES—Continued							
Department of the Interior—Continued							
Bureau of Mines: Laboratories.....	403	\$1, 000, 000	\$425, 000		\$2, 091, 901	\$2, 185, 734	\$503, 116
Fish and Wildlife Service: Fish hatcheries and wildlife refuges.....	404	1, 519, 800	1, 801, 600	\$787, 000	1, 303, 078	2, 050, 000	1, 590, 000
National Park Service: Parkways, roads, buildings and utilities.....	405	14, 690, 000	10, 604, 000	8, 325, 000	11, 273, 000	12, 000, 000	13, 000, 000
Geological Survey: Denver Federal Center.....	409	900, 000	470, 000		1, 104, 000	1, 000, 000	
Total, Department of the Interior.....		273, 787, 300	185, 548, 600	179, 986, 000	279, 879, 585	236, 205, 455	212, 668, 116
Department of State:							
International Boundary and Water Commission, United States and Mexico: Water resources projects.....	401	13, 650, 000	6, 600, 000	500, 000	13, 698, 452	7, 870, 000	3, 360, 000
Restoration of salmon runs, Fraser River system.....	404				19, 267	79, 307	
Total, Department of State.....		13, 650, 000	6, 600, 000	500, 000	13, 717, 719	7, 949, 307	3, 360, 000
Total, natural resources.....		1, 050, 702, 300	679, 294, 600	638, 259, 000	1, 026, 998, 736	889, 226, 762	849, 803, 116
TRANSPORTATION AND COMMUNICATION							
National Advisory Committee for Aeronautics: Research facilities.....	454	16, 700, 000	7, 239, 000	4, 620, 000	29, 050, 851	41, 000, 000	24, 500, 000
Department of the Army—Civil Functions: Corps of Engi- neers:							
Navigation projects.....	452	33, 013, 000	25, 121, 000	37, 210, 000	52, 458, 948	33, 500, 000	40, 200, 000
St. Lawrence Seaway (proposed legislation).....	452			105, 000, 000			5, 800, 000
Panama Canal Company: Construction.....	452				7, 767, 000	8, 678, 000	5, 955, 000
Total, Department of the Army—Civil Functions.....		33, 013, 000	25, 121, 000	142, 210, 000	60, 225, 948	42, 178, 000	51, 955, 000
Department of Agriculture: Forest Service: Forest roads and trails.....	453				11, 137	14, 000	2, 655
Department of Commerce:							
Bureau of Public Roads:							
Grants for Federal-aid highways.....	453	573, 055, 000	573, 266, 000	10, 000, 000	499, 885, 098	532, 499, 208	544, 566, 000
Proposed legislation.....	453			563, 266, 000			
War and emergency damage, Hawaii, grants.....	453				1, 002, 230	1, 468, 621	500, 000
Forest highways and public lands highways.....	453	22, 500, 000	22, 500, 000		21, 016, 455	23, 149, 307	12, 400, 000
Forest highways (proposed legislation).....	453			22, 500, 000			
Access roads and other.....	453	10, 000, 000	15, 500, 000		16, 176, 792	22, 909, 798	13, 000, 000
Total, Bureau of Public Roads.....		605, 555, 000	611, 266, 000	595, 766, 000	538, 080, 675	580, 026, 934	570, 466, 000
Civil Aeronautics Administration:							
Establishment of air-navigation facilities.....	454	9, 950, 000	7, 000, 000	5, 000, 000	16, 934, 725	14, 541, 499	12, 000, 000
Washington, D. C., and Alaska airports.....	454	28, 000	400, 000		1, 799, 689	1, 437, 150	185, 260
Federal-aid airport program, grants.....	454	14, 321, 154			26, 852, 994	17, 837, 000	8, 508, 000
Total, Civil Aeronautics Administration.....		24, 299, 154	7, 400, 000	5, 000, 000	45, 587, 408	33, 815, 649	20, 693, 260
Coast and Geodetic Survey: Geomagnetic Observatory.....	456		750, 000			77, 000	523, 000
Total, Department of Commerce.....		629, 854, 154	619, 416, 000	600, 766, 000	583, 668, 083	613, 919, 583	591, 682, 260
Department of the Interior: Office of Territories:							
Alaska roads.....	453	17, 000, 000	14, 600, 000	9, 940, 000	18, 651, 389	17, 000, 000	14, 000, 000
Rehabilitation of Alaska Railroad.....	456		1, 500, 000	11, 994, 000	6, 204, 000	4, 775, 000	12, 894, 000
Total, Department of the Interior.....		17, 000, 000	16, 100, 000	21, 934, 000	24, 855, 389	21, 775, 000	26, 894, 000
Treasury Department: Coast Guard: Lifeboat stations and other aids.....	452	11, 594, 000	800, 000	680, 000	5, 775, 000	18, 957, 000	4, 200, 000
Total, transportation and communication.....		708, 161, 154	668, 676, 000	770, 210, 000	703, 586, 408	737, 843, 583	699, 233, 915

<sup>1</sup> Budget authorizations consist of appropriations, reappropriations, contract authorizations, and authorizations to expend from public debt receipts. New authorizations include authorizations made available in the year indicated, except appropriations to liquidate prior year contract authorizations. This table includes only that part of the authorization or expenditures used for construction.



SPECIAL ANALYSIS F—Continued  
**BUDGET AUTHORIZATIONS AND EXPENDITURES FOR CIVIL PUBLIC WORKS**<sup>1</sup>—Continued  
 BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1953 enacted	1954 enacted or proposed	1955 recommended or proposed	1953 actual	1954 estimate	1955 estimate
FINANCE, COMMERCE, AND INDUSTRY							
Funds appropriated to the President: Expansion of defense production facilities.....	506				\$1,400,000	\$10,000,000	\$23,000,000
Reconstruction Finance Corporation: Synthetic rubber and other facilities.....	506				22,760,000	16,586,000	15,000,000
Total, finance, commerce, and industry.....					24,160,000	26,586,000	38,000,000
GENERAL GOVERNMENT							
Legislative branch: Architect of the Capitol: Buildings.....	601				5,334,073	3,573,537	4,283,098
General Services Administration:							
Federal Courts Building, District of Columbia.....	602				1,655,760	231,828	
Renovation and modernization, Executive Mansion.....	603				412,639	67,740	
Renovation and improvement of Federal buildings.....	605	\$5,330,000	\$4,863,000	\$4,513,000	5,129,000	6,163,000	4,513,000
Sites and planning, and construction, Federal buildings.....	610		576,200		5,264,848	7,991,432	1,474,993
Total, General Services Administration.....		5,330,000	5,439,200	4,513,000	12,462,247	14,454,000	5,987,993
Department of Justice							
Immigration and Naturalization Service: Construction of temporary detention camps.....	608	85,000			273,000	11,000	
Federal Bureau of Investigation, training academy.....	608		550,000		15,000	550,000	
Total, Department of Justice.....		85,000	550,000		288,000	561,000	
Department of the Interior: Office of Territories: Public buildings in Samoa and Trust Territory, grants.....	609	350,000	330,000	1,568,000	350,000	330,000	1,568,000
Department of the Army—Civil Functions: Canal Zone Government: Streets, sewers, and other facilities.....	609	4,900,000		1,415,000	3,920,713	3,099,177	2,018,500
District of Columbia:							
Loans, expansion and improvement of water system.....	609	6,900,000	4,000,000	2,500,000	750,000	3,500,000	7,535,000
Public works program, loan (proposed legislation).....	609			6,982,000			5,000,000
Total, District of Columbia.....		6,900,000	4,000,000	9,482,000	750,000	3,500,000	12,535,000
Total, general government.....		17,565,000	10,319,200	16,978,000	23,105,033	25,517,714	26,392,591
Total, all functions, civil public works.....		2,145,260,622	1,518,041,800	1,580,647,000	2,167,929,104	1,886,382,073	1,639,342,019

<sup>1</sup> Budget authorizations consist of appropriations, reappropriations, contract authorizations, and authorizations to expend from public debt receipts. New authorizations include authorizations made available in the year indicated, except appropriations to liquidate prior year contract authorizations. The table includes only that part of the authorization or expenditures used for construction.

BUDGET AUTHORIZATIONS AND EXPENDITURES FOR NATIONAL SECURITY CONSTRUCTION<sup>1</sup>

[Fiscal years. In millions]

Organization unit and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1953 enacted	1954 enacted or proposed	1955 recommended or proposed	1953 actual	1954 estimate	1955 estimate
<b>Military public works: Department of Defense:</b>							
Department of the Air Force:							
Operational support facilities.....	052	\$457	\$66		\$306	\$482	\$540
Training facilities.....	052	95	7		95	85	62
Logistical, other support, and miscellaneous facilities.....	052	190	35		227	165	267
Classified.....	052	458	133		313	280	240
Total, Department of the Air Force.....		1,200	241		941	1,012	1,109
Department of the Army:							
Field forces and other operational facilities.....	053	177			207	149	72
Technical services.....	053	110			193	105	80
Military construction, Army Reserve forces.....	053	20	9	\$15	11	20	20
Alaska communications.....	053	1			2	1	1
Classified.....	053	299			97	75	75
Total, Department of the Army.....		607	9	15	510	350	248
Department of the Navy:							
Aviation facilities.....	054	69			149	129	79
Navy facilities other than aviation.....	054	177			157	100	48
Marine Corps facilities other than aviation.....	054	21			56	30	10
Naval Reserve forces.....	054		30	15		6	11
Construction, water supply facilities, San Diego, Calif.	054				4	9	
Bureau of Yards and Docks, Public Works.....	054				3	1	
Classified.....	054	96			93	50	45
Total, Department of the Navy.....		363	30	15	462	325	193
Proposed legislation.....	050			1,108			100
Total, Department of Defense.....		2,170	280	1,138	1,913	1,687	1,650
<b>Other national security construction:</b>							
Atomic energy production plants and facilities.....	057	3,243	127	100	1,054	1,257	1,213
General Services Administration: Storage facilities for strategic and critical materials.....	058				19	14	20
Total, other national security construction.....		3,243	127	100	1,073	1,271	1,233
Total, national security construction.....		5,413	407	1,238	2,986	2,958	2,883

<sup>1</sup> Budget authorizations consist of appropriations, reappropriations, contract authorizations, and authorizations to expend from public debt receipts. New authorizations include authorizations made available in the year indicated, except appropriations to liquidate prior year contract authorizations. The table includes only that part of the authorization or expenditures used for construction.

Summary of Federal expenditures for public works according to categories used in "Special Analysis D. Investment, operating, and other budget expenditures"<sup>1</sup>

[Fiscal years. In millions]

Public works listed under—	1953 actual	1954 estimate	1955 estimate
Additions to Federal assets:			
Loans to State and local governments (net).....	\$12	• \$143	• \$189
Public works—sites and direct construction:			
Civil.....	1,423	1,291	1,132
National security.....	2,986	2,958	2,883
Expenditures for other developmental purposes: State and local physical assets:			
Direct Federal programs.....	3	1	
Grants-in-aid.....	729	738	696
Total, public works.....	5,153	4,845	4,522

• Deduct; excess of repayments over loans.

<sup>1</sup> Slight differences in the totals in special analyses D and F result from rounding.



## SPECIAL ANALYSIS G

## FEDERAL AID TO STATE AND LOCAL GOVERNMENTS

This analysis summarizes the estimates of expenditures for Federal aid to State and local governments which appear in various agency chapters in part II of this budget. Federal aid in the fiscal year 1955 is estimated at \$2,749 million, 4 percent of all Federal budget expenditures. This includes an estimated \$168 million under proposed legislation. The detailed table which follows this explanatory statement identifies individual programs.

Federal-aid expenditures over an 8-year period and their relative budgetary importance for the Federal Government and for the State and local governments are shown in table 1.

TABLE 1.—Federal-aid expenditures in relation to total Federal budget expenditures and total State-local revenues

Fiscal year	Federal expenditures for aid to State and local governments <sup>1</sup> (millions)	Federal-aid expenditures as percent of—	
		Total Federal expenditures	State-local revenues
1948	\$1,657	5	10
1949	1,803	5	10
1950	2,269	6	11
1951	2,434	5	11
1952	2,604	4	11
1953	2,857	4	<sup>2</sup> 11
1954 estimated	2,867	4	( <sup>2</sup> )
1955 estimated	2,749	4	( <sup>2</sup> )

<sup>1</sup> Principal collections on loans have been deducted from gross loan disbursements in all cases in which such collections are deducted in computing budget expenditures. These collections are estimated at \$1,118 million in the fiscal year 1955.

<sup>2</sup> Preliminary estimate.

<sup>3</sup> Not available.

Under Public Law 109 of the 83d Congress, approved July 10, 1953, a Commission on Intergovernmental Relations is at present studying the proper role of the Federal Government in relation to State and local governments. It is giving particular attention to Federal grants-in-aid and other aids to States and their subdivisions, as well as tax sources, governmental functions, and intergovernmental tax immunities. It is expected to report shortly on certain aspects of its assignment.

*Categories and definitions.*—"Federal aid to State and local governments," as the concept is used here, includes (a) grants-in-aid, (b) revenues shared with States, and (c) loans and repayable advances. In addition to financial assistance, it includes grants made in the form of commodities, structures, or services to the extent that these grants-in-kind can be identified in the budget. Aid to the governments of United States Territories and to their political subdivisions, is also included. Federal administrative expenses incurred in providing the aid are excluded.

In general, Federal aid is employed as a device of intergovernmental cooperation through which the Federal Government participates in selected State and local programs of national interest. Thus, in the case of grants-in-aid, the Federal financial participation is not based on a particular service rendered specifically for the Federal Government by the State or local government, but rather is in support of a State or locally administered program of governmental service to the public. In most programs, the distribution among the States is determined by a formula specified in the basic law.

Budget expenditures for grants-in-aid, estimated to total \$2,873 million in the fiscal year 1955, exceed the estimate for all Federal-aid expenditures because collections on account of loans and repayable advances are

expected to exceed the payments for such purposes. The budget expenditure total of \$2,749 million for Federal aid therefore consists of \$2,873 million of grants-in-aid and \$53 million of revenue shared with States, less \$177 million of net receipts for loans and repayable advances.

The laws governing grant-in-aid programs contain provisions restricting the Federal expenditures to specified purposes. States or local governments seeking to qualify for grants are usually required to meet certain conditions and standards relating to such matters as State or local financial participation, approval of State plans, the designation of an administering agency, a merit system of personnel selection, reporting systems, and audits. In their details these conditions and standards vary considerably among programs.

Legislation governing a few grant-in-aid programs permits aid to private nonprofit agencies or institutions. The hospital construction program of the Department of Health, Education, and Welfare is an illustration. It is estimated that 45 percent of Federal expenditures for this purpose in the fiscal year 1955 will be used for non-public hospitals. The program, nevertheless, is one in which the States have a central role through the preparation of statewide programs, the approval of individual projects, and the channeling of the Federal payments. Therefore the entire amount authorized and spent for the program is included as Federal aid in this table, but the amount going to private institutions is also indicated separately. Payments for privately owned hospital facilities in the District of Columbia are also included as Federal aid; they are part of a general local hospital program roughly analogous to the federally aided programs in the States. In this instance, half of the Federal expenditures is an advance to be repaid by the District government.

On the other hand, certain Federal programs may incidentally involve grants to particular State or local governmental agencies, even though they are not primarily programs of grants-in-aid or loans to State or local governments. For example, the Public Health Service and National Science Foundation make research grants to colleges and universities, including some State and local institutions. These payments are not included in the tabulation.

The payment of unemployment allowances to military veterans of the Korean campaign is considered a direct Federal program. The States, as a service to the Federal Government, actually make the benefit payments through their unemployment compensation offices, and the expenses of administration are paid by the Federal Government as part of its general grant-in-aid for unemployment compensation and employment service administration. These administrative costs are not separately identifiable and are therefore included in the Federal-aid total even though the benefit payments are excluded.

Shared revenues are payments of a portion of the proceeds from the sale of certain Federal Government property, products, and services, usually in connection with the management of public lands. Usually, the Federal law requires that the State or local shares be used for schools or for schools and roads in the county where the Federal lands are located. Shared revenues comprise less than 2 percent of Federal expenditures for aid to State and local governments.

Loans are made to State or local governmental bodies by several Federal agencies for specified types of public



improvements. The largest loan programs are those of the Housing and Home Finance Agency for low-rent public housing and for slum clearance and redevelopment. Advances are made by the Housing and Home Finance Agency for advance planning of non-Federal public works and slum-clearance planning; these are repayable if the planned projects are carried out. Advances are also made by the Federal Civil Defense Administration in the operation of its supply procurement fund, which represents a central purchasing operation for State and local civil defense stocks. Part of the Alaska public works expenditures, like the District of Columbia hospital program, represents Federal advances to be repaid by the government of the Territory.

Budget expenditures for loans and repayable advances are net amounts, representing for any year the gross amount of loans and advances less credits for certain collections during the year. As estimated for the fiscal year 1955 gross disbursements for this purpose are estimated at \$941 million, collections at more than \$1,118 million. The net excess of collections is estimated at \$177 million.

*Major programs.*—In the budget estimates for the fiscal year 1955, grants to State and local governments account for three-quarters of all the expenditures estimated for social security, welfare, and health; labor; and education and general research. More than one-third of the budget expenditures for transportation and communication will be for grants-in-aid.

The largest single program of grants is for public assistance, estimated at \$1,293 million, 47 percent of budget expenditures for Federal aid to State and local governments in 1955. The temporary increase in the Federal matching share, enacted in 1952, will expire automatically on September 30, 1954, under present law. The recommendations for proposed legislation would extend these amendments for two quarters, then substitute a new formula providing for a Federal matching share that would vary according to the per capita income of each State. The formula would also provide for a gradual reduction in the Federal share of old-age assistance as the number of aged recipients of old-age insurance increases. It is also recommended that old-age and survivors insurance benefits be increased—a measure that would bring about some reduction in supplementary assistance payments. The net result of these legislative proposals would be to offset, in part, the sharp drop that would otherwise take place in public assistance grants by reason of the expiration of the existing temporary increase.

Several major grants are for construction programs—highways, airports, schools in areas burdened by Federal activities, and hospitals. Proposed legislation broadening the hospital construction program will increase expenditures for this purpose in 1955.

Major nonconstruction programs include aid for the operation of schools in areas burdened by Federal activities, the administrative costs of unemployment compensation and labor placement services, school lunches, public health, and vocational rehabilitation. Proposed legislation extending and improving the program will increase vocational rehabilitation expenditures in 1955.

Expenditures reported under the national school lunch program for 1955 represent cash grants to the States. In 1954 and preceding years, expenditures shown for this program included provision for the purchase of some commodities. The \$68 million estimated for the fiscal year 1955 will maintain cash payments to the States at the

same level as in 1954. In addition, the grant-in-aid expenditures for "Removal of surplus agricultural commodities," reported under Agriculture and Agricultural Resources, represents the donation of commodities to schools for the national school lunch program. As a result, the total Federal aid for the school lunch program is estimated at \$218 million for the fiscal year 1955, compared with \$206 million in 1954.

*Factors affecting aid expenditures and allocations.*—The amounts expended for most programs of Federal aid are subject to two kinds of limitation: The establishment of maximum amounts in the basic authorizing laws and the necessity for annual appropriations by the Congress. However, in the public assistance program the Federal payment is a reimbursement to the States of a portion of their expenditures. The amount paid to each State is determined by a statutory formula applied to actual case loads and individual benefit rates established by the State. Consequently, the amount appropriated in advance does not necessarily limit the total of Federal payments for a given year. Congress customarily provides a deficiency appropriation if this is necessary to match the claims submitted by the States.

Most Federal grant-in-aid statutes provide for the allocation of money among the States according to formulas containing specified measures of need, such as population, per capita income, the incidence of certain diseases, area, or road mileage. These formulas vary considerably from one program to another, depending on the nature of the activity or services for which the aid is given. A few grants are allocated to States as a percentage of State expenditures within specified statutory limitations. Other grants are distributed as an equal amount to each State. Some allocation formulas are statutory while others are established by the administering Federal agency on the basis of criteria listed in the laws.

Citations to the basic laws are included in the pertinent appropriation language in part II of the budget. Summary information about the formulas, as well as the statutory citations for grants-in-aid and shared revenues, will be published by the Treasury Department in tabular form in the *Report of the Secretary of the Treasury on the State of the Finances, for the Fiscal Year 1953*.

*Relationship to other budget figures.*—All the amounts shown in this special analysis represent budget expenditures, as defined in the introduction to part I. Expenditures for grants or loans are made in some instances from an appropriation which also finances direct Federal operations or Federal administrative expenses. In such cases, the amounts tabulated here ordinarily represent an estimate of only that part of the expenditure which is paid out as aid to State and local governments. In most instances, the figures in the tabulation represent all of the expenditures from an appropriation. (The appropriations from which the table is compiled are listed in part II of the budget, and the program titles used in this analysis generally follow the appropriation account titles listed in the tables at the beginning of the several chapters in part II.)

The detailed tabulation of Federal expenditures for aid to State and local governments is arranged according to the functional classification used in the budget message. In order that this analysis may be related readily to the analysis of investment, operating, and other budget expenditures presented in special analysis D, that tabulation shows separately in each category the amounts of Federal



aid to State and local governments. In table 2, following, the Federal aid programs are recapitulated to follow the outline of special analysis D.

TABLE 2.—Federal aid to State and local governments classified as "Investment, operating, and other expenditures"

[Fiscal years. In millions <sup>1</sup>]

Category	1953 actual	1954 estimate	1955 estimate
Additions to Federal assets:			
Loans to State and local governments.....	\$25	• \$125	• \$179
Other.....		1	3
Total, addition to Federal assets.....	25	• 124	• 177
Expenditures for other developmental purposes:			
State and local physical assets.....	746	758	708
Private physical assets.....	49	39	43
Education, training, and health.....	215	218	213
Research and development.....	14	15	19
Total, other developmental purposes.....	1,023	1,028	983
Current expenses for aids and special services:			
Agriculture.....	62	133	158
Labor.....	202	190	203
Home owners and tenants.....	34	64	108
Veterans.....	6	7	8
Other aids and special services.....	1,425	1,487	1,367
Total, current expenses for aids and special services.....	1,729	1,880	1,844
Other services and current operating expenses:			
Operation and administration of other civil activities.....			2
Shared revenues.....	81	84	97
Total, other services and current operating expenses.....	81	84	99
Total, Federal aid to State and local governments.....	2,857	2,867	2,749

• Deduct, excess of repayments and collections over expenditures.

<sup>1</sup> Detail may not add to totals because of rounding.

Table 3 similarly relates this special analysis of Federal aid to special analysis F which tabulates budget expenditures for public works. About one-fourth of all Federal-aid expenditures is for public works, mostly public roads.

TABLE 3.—Federal-aid expenditures for civil public works

[Fiscal years. In millions <sup>1</sup>]

Type of aid and function	1953 actual	1954 estimate	1955 estimate
Grants-in-aid:			
Social security, welfare, and health <sup>2</sup> .....	\$60	\$48	\$50
Housing and community development.....	8	18	10
Education and general research.....	134	120	72
Transportation and communication.....	528	552	554
General government.....	( <sup>3</sup> )	( <sup>3</sup> )	2
Natural resources.....			10
Total, grants-in-aid for public works.....	730	739	697
Loans and repayable advances:			
Housing and community development.....	11	• 147	• 201
General government.....	1	4	12
Total, loans and repayable advances.....	12	• 143	• 189
Total, Federal aid to State and local governments for public works.....	742	595	509

• Deduct, excess of repayments and collections over expenditures.

<sup>1</sup> Detail may not add to totals because of rounding.

<sup>2</sup> Does not include grants for construction of private nonprofit hospitals.

<sup>3</sup> Less than one-half million dollars.

In most programs involving Federal aid to State and local governments, the expenditures in a given fiscal year correspond closely to the amount of the appropriation or other new obligational authority made available for that year. (The amount of new obligational authority enacted or recommended for each appropriation account is shown in part II of this budget.) There are some instances, as indicated above, where the appropriation or other obligational authority is available for direct Federal operations as well as Federal aid, and consequently only part of the expenditures is shown in this tabulation. Also, there are certain programs—chiefly construction—where there are substantial differences between new obligational authority for any year and expenditures in that year, arising from the fact that construction projects cannot generally be completed and paid for within a single fiscal year. In 1955, for example, the hospital construction and school construction programs of the Department of Health, Education, and Welfare show substantial differences between appropriations and expenditure estimates.

*Other financial relationships.*—Apart from grants-in-aid, loans, and shared revenues, many other Federal expenditures and policies affect the finances of State and local governments. Types of transactions not covered in the tabulation of aids include the following:

(a) Reimbursements for various specific services, such as payments to public educational institutions for tuition of veterans and of students from the Armed Forces and payments to local governments for care of Federal prisoners in local institutions.

(b) Contractual payments to public institutions for research and training in specified fields.

(c) The value of surplus educational and hospital supplies, materials, and equipment, and of housing donated or sold at substantial discount to State and local agencies.

(d) The payments of property taxes, or payments in lieu of property taxes, made upon Federal property under the provisions of nearly a score of laws. When such payments are based upon a percentage of revenues, however, as in the case of the Tennessee Valley Authority, they are included in the shared-revenue section of the table.

Also, the table does not reflect various indirect financial benefits accruing to State and local governments such as the lower interest rates which those governments may enjoy because of exemption from Federal income tax of interest paid on State and local debt; the indirect Federal guarantee of municipal obligations issued for low-rent housing and slum clearance; deductions of State and local income, property, and other taxes from personal and corporate incomes in computing Federal income tax; services which may be rendered to other governmental units by Federal agencies in the ordinary course of their operations; and some programs administered cooperatively for the purpose of both the State and Federal Governments, such as agricultural crop reporting or the National Guard.

Some of these financial benefits, of course, have counterparts in the form of services rendered or occasional payments made to the Federal Government by the States or their subdivisions.

## SPECIAL ANALYSIS G—Continued

## FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Function, agency, and program	Functional code No.	EXPENDITURES		
		1953 actual	1954 estimate	1955 estimate
GRANTS-IN-AID				
Veterans' services and benefits:				
Veterans Administration:				
Aid to State homes <sup>1</sup> .....	105	\$3,726,000	\$4,025,000	\$4,333,000
State supervision of schools and training establishments <sup>1</sup> .....	106	2,000,000	2,900,000	3,300,000
Administration of unemployment and self-employment benefits <sup>1</sup> .....	106	600,000	-----	-----
Total, veterans' services and benefits.....	-----	6,326,000	6,925,000	7,633,000
Social security, welfare, and health:				
Department of Health, Education, and Welfare:				
Public assistance.....	202	1,329,933,471	1,388,967,593	1,185,000,000
Vocational rehabilitation.....	203	22,246,100	22,994,000	19,170,000
Hospital construction.....	206	108,909,000	82,412,000	82,700,000
Portion to private nonprofit institutions.....	206	(49,663,000)	(37,580,000)	(37,710,000)
Surveys and programs for hospital construction.....	206	87,059	10,951	-----
Assistance to States, general public health <sup>1</sup> .....	206	13,000,000	10,135,000	11,760,000
Control of venereal disease <sup>1</sup> .....	206	6,062,000	1,977,000	-----
Control of tuberculosis <sup>1</sup> .....	206	5,300,000	4,275,000	2,000,000
Mental health activities <sup>1</sup> .....	206	3,060,000	2,325,000	2,325,000
National Heart Institute <sup>1</sup> .....	206	1,446,000	1,125,000	1,125,000
National Cancer Institute <sup>1</sup> .....	206	3,009,000	2,250,000	2,250,000
Maternal and child welfare.....	206	31,503,131	29,764,927	30,000,000
Disease and sanitation control, Alaska <sup>1</sup> .....	206	510,000	530,000	540,000
Water pollution control.....	206	20,207	-----	-----
Defense community facilities and services <sup>2</sup> .....	208	1,078,571	3,500,000	2,000,000
Department of Agriculture: National school-lunch program.....	203	82,802,000	83,197,000	67,988,000
General Services Administration: Hospital facilities in District of Columbia (private nonprofit) <sup>3</sup> .....	206	-----	875,000	2,550,000
Proposed legislation:				
Hospital construction grants.....	206	-----	-----	5,000,000
Portion to private nonprofit institutions.....	206	-----	-----	(2,300,000)
Vocational rehabilitation.....	203	-----	-----	7,800,000
Public assistance.....	202	-----	-----	108,000,000
Total, social security, welfare, and health.....	-----	1,608,966,539	1,634,338,471	1,530,208,000
Housing and community development:				
Funds appropriated to the President; Disaster Relief.....	258	11,886,501	15,000,000	6,000,000
Housing and Home Finance Agency:				
Low rent housing program—annual contributions <sup>1</sup> .....	251	25,881,000	43,300,000	69,100,000
Veterans' re-use housing <sup>1</sup> .....	251	511,000	262,000	174,000
Slum clearance and urban redevelopment, capital grant <sup>1</sup> .....	255	7,818,000	20,182,000	39,000,000
Defense community facilities and services.....	257	2,433,638	10,881,317	3,397,151
General Services Administration: Defense public works, community facilities.....	254	9,288	11,970	12,000
Department of the Interior:				
Virgin Islands public works.....	254	1,411,927	2,405,089	1,700,000
Alaska public works <sup>2</sup> .....	254	3,638,000	4,500,000	5,000,000

<sup>1</sup> Part of a larger appropriation account.<sup>2</sup> Part of the estimated expenditures shown may be for loans to local governments and for direct Federal construction of local facilities.<sup>3</sup> Part of a large appropriation account. A related part of this appropriation is shown under repayable advances.

Function, agency, and program	Functional code No.	EXPENDITURES		
		1953 actual	1954 estimate	1955 estimate
GRANTS-IN-AID—Continued				
Housing and community development—Continued				
Federal Civil Defense Administration: Federal contributions.....	256	\$12,891,727	\$17,500,000	\$11,000,000
Total, housing and community development.....		66,481,081	114,042,376	135,383,151
Education and general research:				
Department of Health, Education, and Welfare:				
Assistance for school construction and operation in federally affected areas:				
Maintenance and operation of schools.....	301	65,956,387	77,803,482	66,500,000
School construction.....	301	134,365,000	120,353,000	72,057,000
Vocational education.....	301	25,432,338	25,522,790	24,638,331
Colleges for agriculture and the mechanic arts.....	301	5,030,000	5,051,500	5,051,500
Education of the blind.....	302	175,000	175,000	175,000
Proposed legislation—White House conference.....	301		1,500,000	350,000
Total, education and general research.....		230,958,725	230,405,772	168,771,831
Agriculture and agricultural resources:				
Department of Agriculture:				
Removal of surplus agricultural commodities <sup>1</sup> .....	351	52,000,000	123,000,000	150,000,000
Cooperative agricultural extension work.....	355	31,715,506	31,882,071	39,514,000
Agricultural experiment stations.....	355	12,371,000	13,394,000	19,250,000
Agricultural Marketing Act: Cooperative projects in marketing <sup>1</sup> .....	355	1,250,000	1,094,000	150,000
Total, agricultural and agricultural resources.....		97,336,506	169,370,071	208,914,000
Natural resources:				
Department of Agriculture: State and private forestry cooperation.....				
Department of the Interior: Wildlife restoration <sup>1</sup> .....	404	11,463,000	11,275,000	11,075,000
Fish restoration and management <sup>1</sup> .....	404	1,078,000	3,230,000	4,220,000
Proposed legislation:				
Department of Defense: Department of the Army: Corps of Engineers: Waterworks planning.....	401			5,000,000
Department of Interior: Bureau of Reclamation: Waterworks planning.....	401			5,000,000
Total, natural resources.....		22,771,000	24,425,000	33,775,000
Transportation and communication:				
Department of Commerce:				
State marine schools <sup>1</sup> .....	451	163,000	156,000	190,000
Postwar Federal-aid highways <sup>1</sup> .....	453	497,382,000	529,446,000	543,206,000
Prior Federal-aid highway laws.....	453	2,503,098	3,053,208	1,300,000
War and emergency damage, roads, Territory of Hawaii.....	453	1,002,330	1,468,621	500,000
Federal-aid airport program <sup>1</sup> .....	454	26,853,000	17,837,000	8,508,000
Total, transportation and communication.....		527,903,423	551,960,829	553,764,000



## SPECIAL ANALYSIS G—Continued

## FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Function, agency, and program	Functional code No.	EXPENDITURES		
		1953 actual	1954 estimate	1955 estimate
GRANTS-IN-AID—Continued				
Labor and manpower: Department of Labor:				
Unemployment compensation and employment service administration: Present program.....	552	\$202,170,388	\$190,042,000	\$183,189,000
Proposed legislation.....	552			21,750,000
Total, labor and manpower.....		202,170,388	190,042,000	204,939,000
General government:				
Department of Interior: Grants to American Samoa, Guam, and the Trust Territories.....	609	7,161,000	6,429,000	7,759,000
District of Columbia: Federal contribution.....	609	11,000,000	12,000,000	12,000,000
Proposed legislation: District of Columbia: Increase in Federal contribution.....	609			10,010,000
Total, general government.....		18,161,000	18,429,000	29,769,000
Total, grants-in-aid.....		2,781,074,667	2,939,938,519	2,873,156,982
SHARED REVENUES				
Agriculture and agricultural resources: Department of Agriculture: Submarginal land program.....				
	354	448,052	437,500	362,500
Natural resources:				
Federal Power Commission: Federal Power Act.....	401	33,531	35,230	32,498
Department of the Interior:				
Grazing receipts, to States.....	401	331,984	365,481	382,350
Proceeds, to States, sales of public land and materials.....	401	69,479	66,655	75,000
Alaska school lands, income and proceeds.....	401	745	1,245	700
Boulder Canyon project, payments to Arizona and Nevada.....	401	600,000	600,000	600,000
Oregon and California land-grant fund, to counties.....	402	6,053,458	6,422,000	7,250,000
Deficiency payments to counties, Oregon and California.....	402	3,880,954		
Payments to Coos and Douglas Counties, Oreg., on Coos Bay Wagon Road grant lands.....	402	81,333	30,000	30,000
Payments to Oklahoma from oil and gas royalties.....	403	11,790	8,800	10,000
Mineral Leasing Act, to States.....	403	17,010,013	20,004,404	20,000,000
Payment to Wyoming in lieu of taxes, public parks.....	405	48,636	26,046	25,813
Migratory Bird Conservation Act, to counties.....	404	396,901	470,621	471,000
Department of Agriculture:				
National forests fund, to States for counties.....	402	17,432,391	18,650,243	18,800,000
National forest receipts, to Arizona and New Mexico for schools.....	402	131,588	122,755	122,755
Department of Defense: Flood Control Act of 1938, to States for counties.....	401	869,051	850,000	900,000
Tennessee Valley Authority: Payments in lieu of taxes.....	401	3,418,000	3,577,000	4,092,000
Total, natural resources.....		50,369,854	51,230,480	52,792,116
Total, shared revenues.....		50,817,906	51,667,980	53,154,616

\* Deduct.

<sup>1</sup> Part of a larger appropriation account.

<sup>4</sup> Part of a larger appropriation account. A related part of this appropriation is shown under grants-in-aid.

Function, agency, and program	Functional code No.	EXPENDITURES		
		1953 actual	1954 estimate	1955 estimate
LOANS AND REPAYABLE ADVANCES				
Gross loans and repayable advances:				
Social security, welfare, and health:				
General Services Administration:				
Hospital facilities in District of Columbia (private non-profit) <sup>4</sup> .....	206		\$875,000	\$2,550,000
Housing and community development:				
Housing and Home Finance Agency:				
United States Housing Act.....	251	\$924,337,000	1,122,595,000	840,915,000
Advance planning of non-Federal public works <sup>1</sup> .....	254	2,509,310	1,400,000	
Defense community facilities and services <sup>1</sup> .....	257	1,618,683	1,618,683	331,572
Slum clearance and urban redevelopment.....	255	16,536,000	47,100,000	56,800,000
Treasury Department (Reconstruction Finance Corporation): Provision of community facilities.....				
	254	10,316,000	22,329,000	18,800,000
Federal Civil Defense Administration: Procurement fund.....	256	27,130,324	1,490,500	1,356,000
Department of the Interior:				
Alaska public works <sup>4</sup> .....	254	3,639,000	4,500,000	5,000,000
Proposed legislation:				
Advance planning of public works.....	254			3,000,000
General government:				
District of Columbia: Water system loans.....	609	750,000	3,500,000	7,535,000
Proposed legislation:				
District of Columbia: Public works program.....	609			5,000,000
Total, gross loans.....		986,836,317	1,205,408,183	941,287,572
Collections credited against expenditures:				
Housing and Home Finance Agency:				
United States Housing Act.....	251	* 926,324,000	* 1,290,295,000	* 1,038,048,000
Advance planning of non-Federal public works.....	254	* 3,778,000	* 3,500,000	* 3,250,000
Defense community facilities and service.....	257	* 78,000	* 210,000	* 282,000
Slum clearance and urban redevelopment.....	255	* 3,041,000	* 29,100,000	* 47,500,000
Treasury Department (Reconstruction Finance Corporation): Provision of community facilities.....				
	255	* 1,222,000	* 5,214,000	* 27,700,000
Federal Civil Defense Administration: Procurement fund.....	256	* 26,990,798	* 1,490,500	* 1,356,000
Total, collections credited against expenditures.....		* 961,433,798	* 1,329,809,500	* 1,118,136,000
Net budget expenditures for loans and repayable advances.....		25,402,519	* 124,401,317	* 176,848,428
Total, grants-in-aid, shared revenues, loans, and repayable advances.....		2,857,295,092	2,867,205,182	2,749,463,170
Grants-in-aid, loans, and repayable advances for civil public works.....				
		741,882,845	595,352,888	508,549,723
Grants for hospital construction to private nonprofit institutions.....				
		49,663,000	49,330,000	45,110,000
Other grants-in-aid, shared revenues, loans, and repayable advances.....				
		2,065,749,247	2,222,522,294	2,195,803,447
Total, grants-in-aid, shared revenues, loans, and repayable advances.....				
		2,857,295,092	2,867,205,182	2,749,463,170

\* Deduct.

<sup>1</sup> Part of a larger appropriation account.<sup>4</sup> Part of a larger appropriation account. A related part of this appropriation is shown under grants-in-aid.

### SPECIAL ANALYSIS H

#### RESEARCH AND DEVELOPMENT

Research and development expenditures by the Federal Government reflect a wide range of scientific activities and agency responsibilities, arising in large measure from the needs of our national security programs.

These expenditures in the fiscal year 1955 are estimated at \$2,014 million, a decrease of \$113 million from 1954 and a decrease of \$94 million from 1953.

A decline in expenditures for construction of research facilities accounts for most of the changes in 1955, but expenditures for conduct of research and development decrease also, as the following summary shows.

[In millions]

	1953 actual	1954 estimate	1955 estimate
Conduct of research and development.....	\$1, 846. 4	\$1, 874. 2	\$1, 824. 0
Increase of research and development plant.....	261. 5	252. 9	190. 2
Total.....	2, 107. 9	2, 127. 1	2, 014. 2

Federal expenditures for research and development increased substantially during World War II, declined thereafter and increased to an even higher peak during the Korean conflict. The total is expected to decline in the fiscal year 1955, as the following table shows. These substantial variations reflect, of course, the changes in funds used for military and related research. The remainder of the Government's research program has been relatively constant.

#### *Federal expenditures for research and development*

[In millions]

Fiscal year	Military and related research	Total research
1940.....	\$29	\$97
1941.....	152	222
1942.....	227	290
1943.....	534	610
1944.....	1, 304	1, 383
1945.....	1, 511	1, 606
1946.....	845	935
1947.....	807	916
1948.....	736	865
1949.....	938	1, 097
1950.....	926	1, 143
1951.....	1, 125	1, 342
1952.....	1, 632	1, 839
1953.....	1, 908	2, 108
1954 (estimated).....	1, 913	2, 127
1955 (estimated).....	1, 788	2, 014

Current annual expenditures in the Nation for research and development are estimated between \$3.5 and \$4 billion in total, of which approximately \$2 billion are expenditures of the Federal Government. Industry provides most of the remainder, with educational institutions and other sources financing a relatively small amount.

Almost two-thirds of the Federal Government research and development funds are expended through contracts with industry. About one-third or less is expended in federally operated laboratories. A small percentage is expended through grants and contracts with educational and nonprofit institutions.

Of the total funds expended currently by the Federal Government, basic scientific research accounts for a relatively small fraction. More than 90 percent of the

expenditures are for development, applied research, and new facilities. Detailed data on this distribution of funds will be prepared and published by the National Science Foundation.

A wide range of formal and informal methods is employed to correlate research plans among agencies of the Federal Government. The National Science Foundation will furnish general coordination with regard to basic scientific research. The Foundation likewise is engaged in a comprehensive study of national science policy.

Expenditures included in this analysis comprise broadly the costs of the actual conduct of research and development and also necessary indirect or incidental costs. Generally excluded are routine testing, mapping and surveys, experimental production, and information and training activities. Expenditures for increase of research and development plant are for physical facilities for research, such as land, buildings, or equipment, regardless of whether the plant is to be used by the Government or a private organization, and regardless of where title to the property may rest.

Two-thirds of the Federal Government research and development expenditures, as estimated for the fiscal year 1955, are made by the Department of Defense. Another 13 percent of the funds are from the Atomic Energy Commission. The National Advisory Committee for Aeronautics and the Departments of Agriculture and Health, Education, and Welfare together supply 11 percent. The remaining 10 percent is financed by 18 other departments and agencies. The scope and the purposes of the research and development program of individual Federal agencies are indicated below, in the order of their size in 1955.

#### DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS<sup>1</sup>

The objectives of the military research and development programs of the Department of Defense are to provide the Armed Forces with new and improved weapons of performance superior to those of any possible enemy, to correct deficiencies and inadequacies in existing weapons and equipment, to increase the effectiveness of the Armed Forces by applying scientific knowledge and techniques to military problems, and to foster scientific and technological advances that are likely to be of military significance in the years to come. In accomplishing these objectives, one of the major purposes of the research and development programs is to reduce the overall costs of military preparedness and military operations, in dollars, in critical materials, in manpower, and in casualties.

The many discoveries and advances in basic science that have been made in recent years are in an important sense the foundation on which the military development program is based, and a strong continuing national basic research effort is essential for future application to military needs. However, the major problem with which the research and development programs of the Department of Defense are concerned is the applied research and engineering effort required to translate scientific knowledge and possibilities into producible and workable articles which will actually contribute to military strength. A small percentage of Department of Defense research and development funds is expended for basic research of military significance.



The Department of Defense has the major responsibility within the Government for military research and development, but in certain technical areas other agencies also have direct and important responsibilities. The Atomic Energy Commission is responsible for the research and development in the field of atomic weapons and in other applications of atomic energy to military purposes. The National Advisory Committee for Aeronautics is responsible for basic and applied research in aeronautics and for testing specific models of aircraft, missiles, and powerplants in its wind tunnels and test facilities when necessary in connection with the military development programs. The activities of these agencies and of others which contribute to military research and development are carefully coordinated with the programs of the Department of Defense and with military requirements and priorities as determined by the Department of Defense, through statutory top-level committees and technical committees and liaison at the working levels.

#### CONDUCT OF RESEARCH AND DEVELOPMENT

The estimates for conduct of research and development by the Department of Defense in this special analysis represent the costs covered in the research and development category of the Department's budget. This includes the funds for research and development contracts with industry and nonprofit institutions, and for the research and development conducted in and the maintenance and operation of the laboratories and research, development and test stations of the Department of Defense. While it gives, therefore, a fair measure of overall trends in the Department's research and development effort, it excludes very substantial costs associated with research and development carried in other budget categories, such as pay and allowances of military personnel engaged in research and development, the procurement of standard equipment and operating supplies used in research, development, and test activities, and, in many fields, the production of costly prototypes of new weapons and equipment for test and evaluation in the research and development programs. The construction of research and development facilities is included in the military public works category and is discussed separately below.

#### Expenditures for conduct of research and development

[Fiscal years. In millions]

	1953 actual	1954 estimate	1955 estimate
Army.....	\$382.7	\$395.0	\$370.0
Navy.....	499.4	475.0	440.0
Air Force.....	530.2	530.0	510.0
Office of the Secretary of Defense.....		25.0	30.0
Total.....	1,412.3	1,425.0	1,350.0

Expenditures for conduct of research and development by the Department of Defense are estimated to decline somewhat in fiscal year 1955 as projects undertaken in prior years are completed and the continuing program is revised and adjusted to reflect current requirements. Although total expenditures for the Department of Defense will be reduced by almost 10 percent in 1955, the reduction for conduct of research and development is only approximately 5 percent.

Within the Department of Defense, the research and development programs are administered by the three military departments under the general direction, control,

and coordination of the Secretary of Defense. In each case, research and development is integrated with the organization and other operations of the military departments. The tables that follow indicate the major budget breakdowns of the research and development programs of each department, in terms of the new obligational authority recommended for 1955 and the comparable obligation programs for 1953 and 1954. Expenditure data are not available in the detail necessary to show the distribution among the programs.

#### Department of Defense research and development

(New obligational authority recommended for 1955 and comparable obligation programs for 1953 and 1954)

[Fiscal years. In millions]

#### DEPARTMENT OF THE ARMY

	1953	1954	1955
Obligation programs:			
Air defense operations.....	\$42.2	\$32.2	\$28.5
Airborne, amphibious, and supply materiel.....	13.3	11.3	11.7
Atomic, biological, and chemical warfare.....	55.2	63.4	61.7
Personnel, intelligence, and planning.....	43.8	43.5	44.3
Land combat operations.....	146.8	108.0	97.7
Supporting research and development.....	88.4	75.1	63.9
Boards.....	2.1	2.6	2.4
Direct support costs.....	44.7	40.6	44.8
Subtotal (research and development).....	436.5	376.7	355.0
Maintenance and operations: Support for research and development.....	16.5	15.8	15.8
Total obligation programs.....	453.0	392.5	370.8
Total expenditures.....	382.7	395.0	370.0

#### DEPARTMENT OF THE NAVY

Obligation programs:			
Aircraft and facilities.....	\$173.9	\$157.7	\$147.1
Ordnance and facilities.....	144.8	123.5	117.0
Ships and facilities.....	62.3	63.7	66.8
Research, Navy.....	54.1	44.3	49.4
Medical care.....	4.2	4.4	4.4
Civil engineering.....	1.6	1.4	1.4
Navy personnel, general expenses.....	.6	.5	.5
Service-wide supply and finance.....	.7	.7	.7
Marine Corps troops and facilities.....	1.6	2.0	2.0
Subtotal (research and development).....	443.8	398.2	389.3
Research and development station maintenance and operation not included above.....	44.9	45.6	46.1
Total obligation programs.....	488.7	443.8	435.4
Total expenditures.....	499.4	475.0	440.0

#### DEPARTMENT OF THE AIR FORCE

Obligation programs:			
Aircraft.....	\$42.9	\$56.3	\$33.7
Guided missiles.....	129.5	77.9	91.7
Propulsion.....	74.9	63.1	80.3
Electronics.....	81.7	70.5	57.7
Armament.....	40.3	42.8	33.2
Equipment.....	28.0	24.0	25.0
Sciences.....	49.8	37.4	32.6
Special projects.....	15.7	12.1	8.7
Laboratory operations.....	58.4	66.2	68.1
Subtotal (research and development).....	521.2	450.3	431.0
Maintenance and operations: Research and test support.....	77.0	78.7	80.0
Total obligational programs.....	598.2	529.0	511.0
Total expenditures.....	530.2	530.0	510.0

#### OFFICE OF SECRETARY OF DEFENSE

Obligation programs: Emergency fund.....		\$56.3	\$35.0
Total expenditures.....		25.0	30.0



## INCREASE OF RESEARCH AND DEVELOPMENT PLANT

The estimates in this special analysis for increase of Department of Defense research and development plant cover public works construction at laboratories and installations which have research, development or testing as their principal mission. Expenditures estimated for fiscal years 1954 and 1955 represent primarily completion or continuation of projects authorized in previous years. Minor increases to research and development plant are included in the conduct of research and development category discussed above.

*Expenditures for increase of research and development plant*

[Fiscal years. In millions]

	1953 actual	1954 estimate	1955 estimate
Army.....	\$31.1	\$30.0	\$20.0
Navy.....	36.3	20.0	10.0
Air Force.....	88.2	75.0	70.0
Total.....	155.6	125.0	100.0

## ATOMIC ENERGY COMMISSION

The Atomic Energy Commission engages in research and development for improved weapons, more efficient production of fissionable materials, generation of electrical and propulsive power from atomic energy, and protection of military and civilian personnel against hazards from atomic-energy operations. In addition, the Commission conducts a broad research program in nuclear science which helps to insure continued progress in scientific understanding. Attainment of these objectives is accomplished through research in the fields of physics, chemistry, metallurgy, mathematics, biology, medicine, and biophysics. Vigorous programs of both basic and applied research are going forward in these fields at facilities owned by the Commission and operated by private contractors, and in universities and similar institutions.

While of necessity much of the Commission's research effort is oriented toward military needs, a significant portion is directed toward peacetime applications of atomic energy; moreover, research oriented toward military needs often yields information with important peacetime uses.

The Commission's program of research in the physical sciences contributes important basic data for use in weapons and reactor development and in the solution of problems related to the production of source and fissionable materials. Its primary effort is to develop a fundamental understanding of atomic structure and forces as well as of the chemical, physical, and metallurgical properties of materials used in the Commission's program. This program includes both basic and applied research, thus extending the frontiers of basic knowledge in the physical sciences and yielding applications beyond those related to the Commission's program.

In the field of reactor development, considerable emphasis is being given to the development of reactors which will generate electrical energy on a large scale and at unit costs comparable to conventional generation. The cooperation of Government and industry in power reactor development is expected to speed the achievement of this objective. Development of submarine and aircraft propulsion reactors continues in response to military needs; this development also provides valuable information for nonmilitary application, particularly with respect

to power reactors. Supplementing the work in specific reactor designs is the advanced engineering and development on reactor materials, components, heat transfer systems, etc., which is applicable to many reactor designs.

The program of research in biology and medicine is primarily related to the protection of personnel against hazards arising from atomic energy operations. It includes research directed to a full understanding of the effects of radiation on living organisms and measures for dealing with such effects; development of methods of using radiation for human betterment; specific investigations of cancer causation and treatment; studies of genetic changes induced by radiation; and the use of radio-isotopes in biological research.

## NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The National Advisory Committee for Aeronautics conducts basic and applied research in aeronautics to obtain scientific and engineering data for improving the design and performance of military aircraft, guided missiles, and propulsion systems. The research is carried on mainly at the laboratories and auxiliary flight research stations operated by the NACA, supplemented to a limited degree by research sponsored at scientific and educational institutions and other Government agencies.

The research program of the NACA falls into four major fields— aerodynamics, powerplants, aircraft structures, and aircraft operating problems. While the program is oriented almost entirely to present and future military requirements, much of the work will eventually also contribute to improving the performance and safety of commercial aviation.

An extensive program of construction and modernization of NACA's research facilities has been necessary in recent years to make it possible to simulate the high speeds and other conditions under which military aircraft and missiles must operate. During 1955 the three large supersonic wind tunnels authorized by the Unitary Wind Tunnel Plan Act of 1949 will go into operation, and together with other construction now under way and recommended, will make it possible for research in future years to cope with the problems now apparent or anticipated.

## DEPARTMENT OF AGRICULTURE

The Department of Agriculture conducts fundamental and applied research and demonstrations relating to the production, storage, distribution, and utilization of agricultural products—food, feed, fiber, forest products, and specialty items—and to human nutrition and home economics. Much of this work is in cooperation with State agricultural experiment stations and other agencies. This research is grouped into seven major categories as follows: (1) Crops research, (2) farm and land management research, (3) livestock research, (4) human nutrition and home economics research, (5) utilization research, (6) marketing research, and (7) forest research.

In crop research, the emphasis is on the development of improved varieties and production practices, the control of diseases and harmful insects, and the development and testing of chemicals for the control of crop pests.

The principal purposes of farm and land management research are to improve fertilizers and soil management, irrigation, and conservation practices; determine the relation of soils to plant, animal, and human nutrition; to apply engineering principles to agriculture; and to contribute to the solution of problems relating to the economics of production.



In livestock research, studies are made on livestock, poultry, and domestic fur animals to improve strains and to develop improved management methods and production practices.

In human nutrition and home economics research, studies are made on nutritional requirements and the composition, nutritive value, preparation, and preservation of foods. Studies are also made of the practices and problems of families in buying, utilization, and management of food, clothing, and household facilities, and the kind of living achieved by various groups.

Utilization research comprises studies made in the field of chemistry and related sciences to develop new and improved foods, feeds, drugs, fabrics, industrial chemicals, and other products from agricultural commodities; to devise better methods of processing; to increase the use of byproducts; and to solve waste-disposal problems.

Marketing research is aimed at maintaining and improving quality, reducing costs, and expanding outlets in the marketing of agricultural products.

Forest research has four main purposes: (1) To provide landowners and managers with a sound basis for protection and management of timber, range, and watershed lands; (2) to develop measures for the protection of forests from damage by fires, insects, and diseases; (3) to improve forest products and prevent their waste; and (4) to develop more efficient harvesting and utilization practices.

#### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Most of the research and development expenditures of the Department of Health, Education, and Welfare are by the Public Health Service.

The Public Health Service conducts a wide range of research investigations and studies in the fields of biology, medicine, and sanitation in Government laboratories and through cooperative projects with private institutions and State and local government.

Grants are made to support research initiated by scientists in educational and other nonprofit institutions in their efforts to obtain more knowledge as to the causes, prevention, and better diagnosis and treatment of the diseases of man.

About two-thirds of the Public Health Service research funds support applied research and development encompassing investigations in virtually all branches of the medical sciences, including the development of new and more effective methods of therapy and extended field studies in the epidemiology of communicable and chronic diseases. Most of the applied and development work relates directly to the causes, treatment, and control of specific diseases, such as cancer, heart disease, arthritis and metabolic disturbances, mental diseases, dental diseases, and diseases of the sensory organs and of the nervous system.

Linked to, and supplementing, the applied research and development are studies aimed at expanding knowledge of life processes and functions as a means of uncovering the basic causes of disease. Most of this basic research is carried on through federally aided investigations initiated and conducted by educational and other nonprofit institutions.

The Food and Drug Administration's research funds are used to develop improved techniques for testing food, drugs, cosmetics and therapeutic devices. This helps assure the application of significant and consistent standards in determining the purity and safety of such products.

The Office of Education research program is mainly the collection and analysis of general purpose statistics in the field of education. The Social Security Administration does research in social science fields, to determine the programs' effectiveness, for actuarial appraisals of the insurance trust fund, and for other purposes.

#### DEPARTMENT OF THE INTERIOR

The research funds of the Department of the Interior are expended mostly by the Bureau of Mines. This Bureau conducts scientific research and engineering investigations on the chemical and physical characteristics of coal, petroleum, natural gas, helium, and minerals. One of the primary purposes is to develop substitutes for scarce materials. In addition, studies are made with a view to the discovery of new techniques and the improvement of existing extraction and production methods. The Bureau also does research to improve the health and safety of mines and mine workers.

The principal objective of the research program of the Geological Survey is to assist in the determination and appraisal of the Nation's mineral, mineral fuels, and water resources. Additional research is directed toward the discovery and development of new principles and techniques to aid in the search, recovery, and conservation of the Nation's mineral and water resources. The Fish and Wildlife Service conducts basic research on the life history of all species of fish and wildlife inhabiting the United States, its Territories and possessions, and surrounding waters, with a view toward furthering our knowledge of the extent and nature of these resources. In addition, research on producing, processing, and marketing various products is carried on to promote and encourage the development and proper utilization of the Nation's fish and wildlife resources.

#### DEPARTMENT OF COMMERCE

In the Department of Commerce research is conducted chiefly by the Bureau of the Census, the National Bureau of Standards, and the Civil Aeronautics Administration.

The Bureau of the Census is the principal fact-finding and statistical agency of the Federal Government. It is responsible for taking the major censuses of population, housing, agriculture, governmental units, manufactures, mineral industries, the distributive trades, service establishments, and transportation. Current statistics on many of the subjects covered by these major censuses, and on foreign trade, are prepared and published on the basis of data from sample and other surveys.

The National Bureau of Standards serves as a national laboratory for problems relating to fundamental standards of measurement in the physical sciences, the determination of physical constants, properties of materials, and the development of methods and instruments for precise measurement in physics, mathematics, chemistry, metallurgy, and engineering. In developing and making available basic data and techniques of measurement, this Bureau provides services which are essential to the research and technical programs of private laboratories, industries, and other Government agencies.

Under the Civil Aeronautics Administration, the Air Navigation Development Board, a Joint Commerce and Defense Board, conducts research and development work on the civil-military system of air navigation and traffic control, with major emphasis in the field of electronics. In addition, the Civil Aeronautics Administration develops and evaluates aeronautical devices and instruments, and does research work on human problems affecting aircraft operation.



## NATIONAL SCIENCE FOUNDATION

The National Science Foundation supports basic research through educational and other nonprofit institutions. Its work covers the entire range of basic science, including the mathematical, physical, and engineering sciences and the biological and medical sciences. To date only limited support has been furnished the social science area. The Foundation is expected to become increasingly responsible for the support of general purpose basic research by the Government, giving due consideration to the requirements of other Federal agencies for basic research closely related to their operating responsibilities. A large part of the recommended increase in its appropriation for basic research in the budget for the fiscal year 1955 represents a transfer of the responsibility for the support of certain basic research programs from the Department of Defense to the Foundation.

## DEPARTMENT OF LABOR

Within the Department of Labor the Bureau of Labor Statistics is responsible for collecting general purpose data on various trends in the labor field. These include wages, hours, prices, working conditions, employment, industrial relations, and others.

## RECONSTRUCTION FINANCE CORPORATION

The Reconstruction Finance Corporation carries on basic research in synthetic rubber through contracts with colleges and universities. Research and development in connection with the application of the results of the basic research is primarily performed by private industry. A project involving the experimental testing of soil for the cultivation of abaca seedlings is also carried on under the abaca fiber program. The research program of the Reconstruction Finance Corporation will be transferred to another agency before June 30, 1954, as provided in Reconstruction Finance Corporation Liquidation Act.

## VETERANS ADMINISTRATION

The Veterans Administration research program is conducted in its hospitals and is directly related to the care and treatment of patients. In addition to general medical research, programs and projects are also carried on in special neuropsychiatric and tuberculosis research laboratories in these hospitals and in dental research and radio-isotope laboratories. A prosthetic research and development program is directed toward improvement of prosthetic and orthopedic appliances and sensory aids, exclusive of dental prostheses.

## TENNESSEE VALLEY AUTHORITY

The greater part of the expenditures of the Tennessee Valley Authority for scientific research and development is devoted to applied research in the life sciences, including basic agronomic research, farm test demonstrations, watershed and forest resource development, fish, game, and stream sanitation, and appraisal of malaria control methods. Applied research in the physical sciences includes work on fertilizers and munitions products and processes.

## OTHER AGENCIES

Some research is conducted by the Post Office Department, Department of State, Department of the Treasury, Federal Civil Defense Administration, Federal Communications Commission, Interstate Commerce Commission, Smithsonian Institution, Tariff Commission, and the

Advisory Committee on Weather Control. In these agencies the purpose of the research is generally to improve the operating and production methods by which the statutory purposes of these agencies are served. For example, the Post Office Department is conducting research intended to develop electronic mechanical equipment to face, cancel, and sort mail. The research in these agencies is in various fields of science, and is of all types, from basic research through development.

## Federal budget expenditures for research and development

[Fiscal years. In millions]

Agency and subdivision	1953 actual	1954 estimate	1955 estimate
<b>Funds appropriated to the President:</b>			
Expansion of defense production:			
Conduct of research and development	\$0.3	\$0.5	\$1.0
Increase of research and development plant	.1	2.0	5.0
Total expansion of defense production	.4	2.5	6.0
<b>Executive Office of the President: Office of Defense Mobilization: Conduct of research and development</b>	( <sup>1</sup> )	( <sup>1</sup> )	-----
<b>Advisory Committee on Weather Control: Conduct of research and development</b>	-----	( <sup>1</sup> )	.1
<b>Atomic Energy Commission:</b>			
Conduct of research and development	204.4	207.4	212.7
Increase of research and development plant	57.4	64.4	48.6
Total, Atomic Energy Commission	261.8	271.8	261.3
<b>Federal Civil Defense Administration:</b>			
Conduct of research and development	.1	.4	.5
<b>Federal Communications Commission:</b>			
Conduct of research and development	.2	.3	.3
<b>Interstate Commerce Commission: Conduct of research and development</b>	.2	.2	.2
<b>National Advisory Committee for Aeronautics:</b>			
Conduct of research and development	49.5	50.0	52.5
Increase of research and development plant	29.1	41.0	24.5
Total, National Advisory Committee for Aeronautics	78.6	91.0	77.0
<b>National Science Foundation: Conduct of research and development</b>	2.2	4.3	8.6
<b>National Security Resources Board: Conduct of research and development</b>	.1	-----	-----
<b>Reconstruction Finance Corporation: Conduct of research and development</b>	5.8	5.3	5.3
<b>Smithsonian Institution: Conduct of research and development</b>	.3	.3	.3
<b>Tariff Commission: Conduct of research and development</b>	( <sup>1</sup> )	.1	.1
<b>Tennessee Valley Authority: Conduct of research and development</b>	4.0	3.9	3.9
<b>United States Information Agency: Conduct of research and development</b>	-----	.4	.5
<b>Veterans Administration: Conduct of research and development</b>	4.6	5.1	5.2
<b>Housing and Home Finance Agency: Conduct of research and development</b>	.5	.1	-----
<b>Department of Agriculture:</b>			
Agricultural Research Service:			
Conduct of research and development	43.7	46.2	56.0
Increase of research and development plant	.1	2.2	7.4
Agricultural Marketing Service: Conduct of research and development	4.2	4.4	5.5
Forest Service: Conduct of research and development	6.1	6.1	6.5
Farmer Cooperative Service: Conduct of research and development	.3	.3	.3
Foreign Agricultural Service: Conduct of research and development	.3	.3	.5
Library: Conduct of research and development	.2	.2	.2
Total, Department of Agriculture	54.9	59.7	76.4
Conduct of research and development	54.8	57.5	69.0
Increase of research and development plant	.1	2.2	7.4
<b>Department of Commerce:</b>			
Bureau of the Census: Conduct of research and development	12.7	9.1	10.2
Bureau of Public Roads: Conduct of research and development	.9	.9	.9
Civil Aeronautics Administration: Conduct of research and development	3.8	4.6	1.9
Coast and Geodetic Survey: Conduct of research and development	.5	.5	.4
Maritime Administration: Conduct of research and development	.1	.1	( <sup>1</sup> )

<sup>1</sup> Less than \$50,000.



## Federal budget expenditures for research and development—Continued

[Fiscal years. In millions]

Agency and subdivision	1953 actual	1954 estimate	1955 estimate
<b>Department of Commerce—Continued</b>			
National Bureau of Standards:			
Conduct of research and development	\$3.2	\$4.5	\$4.5
Increase of research and development plant	1.4	2.1	1.0
National Production Authority: Conduct of research and development	(1)		
Office of Business Economics: Conduct of research and development	1.0	.9	1.1
Weather Bureau: Conduct of research and development	.6	.6	.6
Total, Department of Commerce	24.2	23.3	20.6
Conduct of research and development	22.8	21.2	19.6
Increase of research and development plant	1.4	2.1	1.0
<b>Department of Defense—Military Functions:</b>			
Office of the Secretary of Defense: Conduct of research and development		25.0	30.0
Department of the Army:			
Conduct of research and development	382.7	395.0	370.0
Increase of research and development plant	31.1	30.0	20.0
Total, Department of the Army	413.8	425.0	390.0
Department of the Navy:			
Conduct of research and development	499.4	475.0	440.0
Increase of research and development plant	36.3	20.0	10.0
Total, Department of the Navy	535.7	495.0	450.0
Department of the Air Force:			
Conduct of research and development	530.2	530.0	510.0
Increase of research and development plant	88.2	75.0	70.0
Total, Department of the Air Force	618.4	605.0	580.0
Total, Department of Defense—Military Functions	1,567.9	1,550.0	1,450.0
Conduct of research and development	1,412.3	1,425.0	1,350.0
Increase of research and development plant	155.6	125.0	100.0
<b>Department of Defense—Civil Functions:</b>			
Department of the Army: Conduct of research and development	1.3	.7	.6
<b>Department of Health, Education, and Welfare:</b>			
Food and Drug Administration: Conduct of research and development	1.0	.9	.9
Office of Education: Conduct of research and development	.9	.8	1.0
Office of Vocational Rehabilitation: Conduct of research and development	(1)	(1)	(1)
Social Security Administration: Conduct of research and development	.5	.5	.5

Agency and subdivision	1953 actual	1954 estimate	1955 estimate
<b>Department of Health, Education, and Welfare—Continued</b>			
Public Health Service:			
Conduct of research and development	\$42.9	\$53.9	\$57.0
Increase of research and development plant	14.5	12.9	3.2
Total, Department of Health, Education, and Welfare	59.8	69.0	62.6
Conduct of research and development	45.3	56.1	59.4
Increase of research and development plant	14.5	12.9	3.2
<b>Department of the Interior:</b>			
Office of the Secretary: Conduct of research and development	.1	.4	.4
Bonneville Power Administration: Conduct of research and development	.1	.1	.1
Bureau of Land Management: Conduct of research and development	(1)	(1)	(1)
Bureau of Mines:			
Conduct of research and development	19.1	16.1	14.9
Increase of research and development plant	2.1	2.2	.5
Bureau of Reclamation:			
Conduct of research and development	.9	.9	1.0
Increase of research and development plant	.1	(1)	(1)
Fish and Wildlife Service:			
Conduct of research and development	4.9	4.9	4.9
Increase of research and development plant	(1)	.1	(1)
Geological Survey:			
Conduct of research and development	5.2	6.5	6.2
Increase of research and development plant	1.1	1.0	
National Park Service: Conduct of research and development	.4	.3	.2
Total, Department of the Interior	34.0	32.5	28.2
Conduct of research and development	30.7	29.2	27.7
Increase of research and development plant	3.3	3.3	.5
<b>Department of Labor:</b>			
Bureau of Labor Statistics: Conduct of research and development	5.7	5.4	5.4
Women's Bureau: Conduct of research and development	.1	.1	.1
Total, Department of Labor	5.8	5.5	5.5
<b>Post Office Department:</b> Conduct of research and development	(1)	.2	.5
<b>Department of State:</b> Conduct of research and development	.5		
<b>Treasury Department:</b>			
Bureau of Engraving and Printing: Conduct of research and development	.2	.1	.1
Coast Guard: Conduct of research and development	.5	.4	.4
Total, Treasury Department	.7	.5	.5
Grand total, all agencies	2,107.9	2,127.1	2,014.2
Conduct of research and development	1,846.4	1,874.2	1,824.0
Increase of research and development plant	261.5	252.9	190.2

<sup>1</sup> Less than \$50,000.

## Reconciliation With Special Analysis D, Investment, Operating, and Other Budget Expenditures

[Fiscal years. In millions]

	1953 actual	1954 estimate	1955 estimate
<b>Amounts for conduct of research and development included in:</b>			
Expenditures for other developmental purposes: Research and development:			
Civil:			
Direct Federal programs	\$215	\$226	\$241
Grants-in-aid	14	15	21
National security	1,616	1,632	1,563
Additions to Federal assets: Physical assets: Public works—sites and direct construction: Other than research and development plant <sup>1</sup>	1	1	1
Rounding adjustment			-2
Total conduct of research and development	1,846	1,874	1,824
<b>Amounts for increase of research and development plant included in:</b>			
Additions to Federal assets:			
Public works—sites and direct construction:			
Civil: Research and development plant	44	56	35

	1953 actual	1954 estimate	1955 estimate
<b>Amounts for increase of research and development plant included in—Con.</b>			
Additions to Federal assets—Con.			
Public works—sites and direct construction—Continued			
National security: Research and development plant	\$202	\$178	\$137
Major equipment:			
Civil: Research and development plant	2	4	1
National security: Research and development plant	11	12	11
Expenditures for other developmental purposes: Private physical assets: Direct Federal programs: Research and development plant	1	2	5
Rounding adjustment		1	1
Total increase of research and development plant	262	253	190

<sup>1</sup> Not separately identified in special analysis D.

SPECIAL ANALYSIS I  
SELECTED INVESTMENT AND INTERFUND TRANSACTIONS  
BY AGENCY AND ACCOUNT TITLE

Description	1953 actual	1954 estimate	1955 estimate
<b>INVESTMENTS OF GOVERNMENT AGENCIES IN UNITED STATES SECURITIES</b>			
<b>Trust funds:</b>			
Independent offices:			
Civil Service Commission: Civil-service retirement and disability fund.....	\$588,016,000	\$268,761,000	\$239,821,000
Railroad Retirement Board: Railroad retirement account.....	279,659,000	281,197,000	231,000,000
Veterans Administration:			
Adjusted-service certificate fund.....	• 2,000	• 500,000	-----
General post fund, national homes.....	-----	-----	200,000
National service life insurance fund.....	58,835,000	87,000,000	• 5,000,000
United States Government life insurance fund.....	• 1,500,000	• 74,000,000	• 8,000,000
General Services Administration: American National Red Cross, District of Columbia Chapter Building.....	• 67,642	• 56,220	-----
Department of Defense—Military Functions: Department of the Navy:			
Office of naval records and library fund.....	44,000	-----	-----
United States Department of the Navy general gift fund.....	• 10,000	-----	-----
Department of Labor: Bureau of Employees' Compensation:			
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act, as amended.....	25,000	30,000	30,000
Relief and rehabilitation, Workmen's Compensation Act, within the District of Columbia.....	4,000	-----	-----
Department of State: Foreign Service retirement and disability fund.....	• 462,100	• 690,303	• 831,875
Treasury Department:			
Office of the Secretary:			
Federal old-age and survivors insurance trust fund.....	1,546,350,000	1,840,803,302	2,170,080,594
Unemployment trust fund.....	592,000,000	474,000,000	351,000,000
Bureau of Accounts: Payment of pre-1934 bonds of the Government of the Philippines.....	• 7,667,500	-----	• 40,000
District of Columbia: Teachers' retirement and annuity fund.....	1,500,000	1,190,000	1,000,000
Adjustment to daily Treasury statement basis.....	+11,692,868	-----	-----
Total.....	3,068,426,626	2,877,734,779	2,979,259,719
<b>Government-owned corporations and enterprises:</b>			
Independent offices:			
Farm Credit Administration:			
Federal intermediate credit banks.....	2,923,500	• 1,500,000	-----
Production credit corporations.....	2,105,600	• 3,485,000	• 98,000
Veterans Administration: Veterans' special-term insurance fund.....	425,000	750,000	678,000
Housing and Home Finance Agency:			
Home Loan Bank Board: Federal Savings and Loan Insurance Corporation.....	8,700,000	11,200,000	12,600,000
Federal Housing Administration.....	58,750,000	• 3,450,000	51,400,000
Adjustment to daily Treasury statement basis.....	+6,584,400	-----	-----
Total.....	79,488,500	3,315,000	64,580,000
Total, investments of Government agencies in United States securities (net).....	3,147,915,126	2,881,049,779	3,043,839,719
<b>REDEMPTION OF DEBT OF GOVERNMENT-OWNED ENTERPRISES TO THE PUBLIC</b>			
Independent offices: Farm Credit Administration:			
Federal Farm Mortgage Corporation.....	\$86,900	\$50,000	\$50,000
Federal intermediate credit banks.....	69,305,000	• 32,340,000	• 45,865,000
Housing and Home Finance Agency:			
Federal Housing Administration.....	• 7,347,150	• 40,393,250	6,219,550
Home Owners' Loan Corporation.....	204,025	205,000	205,000
Department of Agriculture: Commodity Credit Corporation.....	43,528	-----	-----
Adjustment to daily Treasury statement basis.....	-3,670,418	-----	-----
Total, redemptions of debt of Government-owned enterprises to the public.....	58,621,885	• 72,478,250	• 39,390,450

• Deduct, excess of sales over investments.

• Deduct, excess of sales over redemptions.



SPECIAL ANALYSIS I—Continued  
SELECTED INVESTMENT AND INTERFUND TRANSACTIONS—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Description	1953 actual	1954 estimate	1955 estimate
<b>CAPITAL TRANSFERS FROM EXPENDITURE TO RECEIPT ACCOUNTS</b>			
Legislative branch: Government Printing Office: Government Printing Office revolving fund: Earnings.....		\$2,000,000	\$2,200,000
Independent offices:			
Civil Service Commission: Investigations: Repayment of investments.....		1,382	
Export-Import Bank of Washington: Dividends on capital stock.....	\$20,000,000	22,500,000	22,500,000
Farm Credit Administration: Federal Farm Mortgage Corporation: Profits.....	9,000,000	7,000,000	
Reconstruction Finance Corporation: Production programs: Repayment of investment.....	98,200,000	218,375,650	74,566,000
Tennessee Valley Authority: Repayment of investment.....	14,229,268	19,676,977	40,172,000
Veterans Administration:			
Canteen service: Profits.....	570,500		319,458
Direct loans to veterans and reserves: Repayment of investment.....			20,000,000
Rental, maintenance, repair of quarters: Profits.....		3,742	5,400
General Services Administration:			
Buildings management fund: Earnings.....		412,187	
Cost of maintenance, repair, etc., of improvements, public buildings: Profits.....	378,835	389,311	320,000
General supply fund: Earnings.....	4,000,000	2,151,059	500,000
Maintenance, etc., defense public works, community facilities: Profits.....	1,594		
Maintenance, etc., Lafayette Building, Washington, D. C., public buildings: Profits.....	38,931	40,652	35,000
Working capital fund: Earnings.....	5,236	3,015	4,205
Housing and Home Finance Agency:			
Office of the Administrator:			
Federal National Mortgage Association: Profits.....	31,500,000		
Revolving fund (liquidating programs): Repayment of investment.....	500,000	18,726,811	8,939,879
Home Loan Bank Board:			
Federal Savings and Loan Insurance Corporation:			
Repayment of capital stock.....	7,520,000	8,765,000	10,412,000
Payment in lieu of dividends on capital stock.....	1,874,488	1,727,476	1,546,500
Liquidation of Home Owners' Loan Corporation: Repayment of investment.....		21,071	
Federal Housing Administration:			
Repayment of investment.....		65,497,433	
Repayment of investment, title I claims program.....	160,684	105,000	62,800
Public Housing Administration: Repayment of investment:			
Public war housing program.....	36,991,715	44,465,561	63,229,819
Homes conversion program.....	5,406	132	
Subsistence homesteads and Greentowns program.....	1,733,375	1,931,595	925,679
Veterans' re-use housing program.....	1,602,335	1,201,489	1,794,750
Department of Agriculture: Commodity Credit Corporation: Interest in lieu of dividends on capital stock.....	2,000,000	2,500,000	2,500,000
Department of Defense—Civil functions: Department of the Army:			
Canal Zone Government: Postal service: Repayment of investment.....		40,078	
Panama Canal Company:			
Return to Treasury of funds transferred from the Panama Canal.....	1,850,157		
Repayment of investment.....			10,000,000
Department of the Interior:			
Bureau of Reclamation: Continuing fund for emergency expenses, Fort Peck project, Montana: Profits.....	1,169,630	1,232,500	1,368,800
Bureau of Mines: Revolving fund, helium production: Profits.....	250,000		
Department of Justice: Federal Prison Industries, Inc.: Earnings.....	4,100,000	2,600,000	2,150,000
Treasury Department:			
Office of the Secretary:			
Liquidation of Reconstruction Finance Corporation:			
Lending program: Dividends on capital stock.....	12,293,880		7,547,533
Liquidation programs: Repayment of investment.....	14,800,000	10,500,000	5,000,000
Reconstruction Finance Corporation: Smaller War Plants Corporation program: Repayment of investment.....		1,500,000	500,000
Bureau of Engraving and Printing: Bureau of Engraving and Printing fund: Earnings.....		176,118	
Total, capital transfers from expenditure to receipt accounts.....	264,785,034	433,547,239	276,599,823

SPECIAL ANALYSIS J  
COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES BY FUNCTION

FISCAL YEARS 1946 THROUGH 1955

*Based on existing and proposed legislation*

NOTE.—This table is generally comparable to Special Analysis I of the 1954 budget, except for the following changes:

- A. A new receipt classification "Estate and gift taxes" has been added. Amounts shown on this line were included in previous budgets under "Direct taxes on individuals."
- B. Payments to the railroad retirement account in amounts equal to taxes under the Railroad Retirement Act, formerly included in budget expenditures (subfunction 201), are treated as a deduction from budget receipts for all years of this table. This treatment reduces both budget receipts and expenditures by an equal amount (as shown in the deduct entry under budget receipts), and hence does not change the budget surplus or deficit.
- C. Subfunctions 051-058, 151-153, 406, 454, and 556 and the titles of 2 functional categories reflect changes as shown in the chart at the end of the table. Expenditures for the Office of Defense Mobilization, formerly included in category 506, are now included in category 603. These changes have been made for all years shown in the table.
- D. The "Railroad unemployment insurance administration fund" has been reclassified as a trust fund and is therefore not included in budget receipts or budget expenditures of this table after the fiscal year 1952.
- E. Changes in appropriation structure sometimes result in changes in classification (for example, expenditures from a new appropriation to Civil Aeronautics Board for "Payments to air carriers" are included in subfunction 454, whereas such payments in prior years were made from the Post Office Department appropriation for "Contributions to postal revenues" (included in subfunction 457). Such changes are not generally carried back for other years in the table.

[In millions <sup>1</sup>]

Description	Actual								Estimate	
	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955
<b>BUDGET RECEIPTS</b>										
Individual income taxes.....	\$18,331	\$19,629	\$20,997	\$17,929	\$17,408	\$23,365	\$29,880	\$32,478	\$33,433	\$30,323
Corporation income and excess-profits taxes.....	12,906	9,676	10,174	11,554	10,854	14,388	21,467	21,595	22,809	20,264
Excise taxes <sup>4</sup> .....	6,696	7,270	7,402	7,551	7,597	8,693	8,893	9,992	10,227	10,239
Employment taxes.....	1,714	2,039	2,396	2,487	2,892	3,940	4,573	4,998	5,530	6,417
Estate and gift taxes.....	677	779	899	797	706	730	833	891	955	955
Customs.....	435	494	422	384	423	624	550	613	590	590
Miscellaneous receipts.....	3,479	4,621	3,809	2,072	1,430	1,629	1,803	* 1,858	2,313	2,453
Deduct:										
Appropriation to Federal old-age and survivors insurance trust fund.....	1,238	1,459	1,616	1,690	2,106	3,120	3,569	4,086	4,600	5,469
Appropriation to Railroad Retirement account, excluding military service credits.....	255	256	723	550	550	575	735	625	640	640
Refunds of receipts (excluding interest).....	2,973	3,006	2,272	2,838	2,160	2,107	2,302	3,120	2,988	2,491
Total budget receipts.....	39,772	39,787	41,488	37,696	36,495	47,568	61,393	64,593	67,629	62,642
<b>BUDGET EXPENDITURES <sup>2</sup></b>										
<b>National security:</b>										
051. Direction and coordination of defense.....				7	10	12	13	15	12	13
052. Air Force defense.....				* 1,117	* 1,754	* 3,600	* 6,349	* 12,709	15,085	15,600
053. Army defense.....	25,362	6,295	* 5,249	* 5,240	* 3,983	* 7,469	* 15,635	16,242	14,200	10,198
054. Naval defense.....	16,767	5,562	4,205	4,390	4,100	5,582	10,162	11,875	11,300	10,493
055. Other central defense activities.....	244	2,005	269	176	199	353	379	394	438	562
056. Mutual military program.....	1,133	344	262	415	130	991	2,442	3,954	4,200	4,275
057. Development and control of atomic energy.....		174	475	622	550	897	1,670	1,791	2,200	2,425
058. Strategic and critical materials.....		11	99	299	438	654	837	919	770	585
Department of Defense—Military Functions: Proposed legislation.....										100
Total, national security.....	43,507	14,392	11,675	12,902	13,009	22,306	43,848	50,274	48,720	44,860
<b>Veterans' services and benefits:</b>										
101. Veterans' education and training.....	351	2,122	2,506	2,703	2,596	1,943	1,326	659	473	554
102. Other veterans' readjustment benefits.....	1,000	1,519	807	631	278	163	122	138	129	98
103. Veterans' compensation and pensions.....	1,261	1,929	2,080	2,154	2,223	2,171	2,178	2,420	2,485	2,535
104. Veterans' insurance and servicemen's indemnities.....	1,395	840	151	95	480	50	216	102	103	72
105. Veterans' hospitals and medical care.....	216	461	592	737	764	745	784	757	777	754
106. Other veterans' services and administration.....	192	510	518	405	306	270	238	223	194	180
Total, veterans' services and benefits.....	4,416	7,381	6,654	6,726	6,647	5,342	4,863	4,298	4,160	4,192
<b>International affairs and finance:</b>										
151. Conduct of foreign affairs.....	73	113	163	158	198	190	142	150	129	125
152. Economic and technical development.....	2,970	6,413	4,402	5,850	4,442	3,506	2,584	1,960	1,556	1,028
153. Foreign information and exchange activities.....	23	4	1	15	35	99	99	106	95	97
Total, international affairs and finance.....	3,066	6,531	4,566	6,053	4,674	3,795	2,826	2,216	1,779	1,250
<b>Social security, welfare, and health:</b>										
201. Retirement and dependents' insurance.....	60	48	41	32	37	37	37	33	35	-----
202. Public assistance.....	430	653	737	923	1,125	1,187	1,180	1,332	1,391	1,295
203. Aid to special groups.....	31	115	119	118	139	137	152	156	160	151
204. Work relief and direct relief.....	5	3	8	9	-----	-----	-----	-----	-----	-----
205. Accident compensation.....	18	17	15	15	24	27	36	43	42	43

<sup>1</sup> Because of rounding, detail may not add to totals.

<sup>2</sup> Expenditures are net of receipts of public enterprise funds. For 1949 and prior years, expenditures include investments in United States securities.

<sup>3</sup> Expenditures for Army defense include some expenditures for support of the Air Force financed from 1949 and prior-year appropriations.

<sup>4</sup> Includes internal revenue not specifically classified.

<sup>5</sup> Includes adjustment to daily Treasury statement.



## SPECIAL ANALYSIS J—Continued

## COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES BY FUNCTION—Continued

FISCAL YEARS 1946 THROUGH 1955—Continued

[In millions <sup>1</sup>]

Description	Actual								Estimate	
	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955
<b>BUDGET EXPENDITURES <sup>1</sup>—Continued</b>										
<b>Social security, welfare, and health—Continued</b>										
206. Promotion of public health.....	\$173	\$146	\$139	\$171	\$242	\$304	\$328	\$316	\$289	\$288
207. Prisons and probation.....	21	25	23	26	24	28	23	29	27	28
208. Defense community facilities and services.....	1							1	4	2
Total, social security, welfare, and health.....	738	1,007	1,083	1,293	1,592	1,721	1,756	1,910	1,947	1,807
<b>Housing and community development:</b>										
251. Public housing programs.....	77	413	98	42	• 37	124	136	1	• 220	• 233
252. Aids to private housing.....	• 331	• 117	• 58	312	300	465	506	394	39	• 230
253. Research and other general housing aids.....	3	13	7	1	2	4	5	19	39	61
254. Provision of community facilities.....	51	39	35	• 72	• 2	6	9	22	43	6
255. Urban development and redevelopment.....						2	6	21	38	48
256. Civil defense.....							33	51	74	69
257. Defense housing, community facilities and services.....							12	28	31	1
258. Disaster insurance, loans, and relief.....							28	12	13	4
Total, housing and community development.....	• 199	348	82	282	262	602	735	549	57	• 277
<b>Education and general research:</b>										
301. Promotion of education.....	27	34	38	39	41	51	126	235	234	173
302. Educational aid to special groups.....	2	3	3	3	5	6	8	7	7	7
303. Library and museum services.....	6	8	8	9	10	10	11	11	12	12
304. General-purpose research.....	51	22	15	23	67	48	29	25	25	30
Total, education and general research.....	85	66	65	74	122	115	171	277	278	223
<b>Agriculture and agricultural resources:</b>										
351. Stabilization of farm prices and farm income.....	452	650	• 92	1,725	1,844	• 461	46	2,125	1,560	1,538
352. Financing farm ownership and operation.....	• 252	• 119	• 3	65	146	339	272	109	373	193
353. Financing rural electrification and rural telephones.....	68	185	239	305	293	276	243	239	250	232
354. Conservation and development of agricultural land and water resources.....	350	388	285	241	337	346	341	317	315	236
355. Research, and other agricultural services.....	126	140	146	178	163	150	143	145	157	167
Total, agriculture and agricultural resources.....	743	1,243	575	2,512	2,783	650	1,045	2,936	2,654	2,366
<b>Natural resources:</b>										
401. Conservation and development of land and water resources.....	171	343	505	756	884	948	1,038	1,122	918	858
402. Conservation and development of forest resources.....	44	53	61	66	78	81	95	107	116	110
403. Conservation and development of mineral resources.....	18	19	26	29	34	36	35	38	38	36
404. Conservation and development of fish and wildlife.....	8	11	12	18	23	26	30	34	37	38
405. Recreational use of natural resources.....	6	12	17	19	24	30	33	30	34	34
407. Defense production activities.....						2	5	3	1	
409. General resource surveys.....	4	10	10	13	16	18	21	25	27	• 27
Total, natural resources.....	251	449	631	902	1,058	1,140	1,258	1,358	1,172	1,103
<b>Transportation and communication:</b>										
451. Promotion of the merchant marine.....	375	• 281	183	124	100	101	230	235	194	107
452. Provision of navigation aids and facilities.....	90	244	222	289	299	301	292	332	336	301
453. Provision of highways.....	87	235	351	453	498	455	470	572	612	600
454. Promotion of aviation.....	98	121	136	191	213	222	237	239	291	278
455. Regulation of transportation.....	22	23	15	15	15	15	18	17	16	16
456. Other services to transportation.....	• 26	• 8	34	40	33	20	• 4	15	• 40	21
457. Postal service (from general fund).....	161	242	304	530	593	626	740	659	440	90
458. Regulation of communication.....	11	6	6	7	7	7	7	7	7	7
Total, transportation and communication.....	817	581	1,251	1,649	1,757	1,747	1,990	2,076	1,856	1,418
<b>Finance, commerce, and industry:</b>										
501. Promotion or regulation of financial institutions.....	• 67	• 61	• 16	• 8	• 6	• 9	• 24	• 3	• 20	5
503. Promotion or regulation of trade and industry.....	20	23	23	24	26	26	26	26	27	33
504. Business loans and guaranties.....	• 128	21	80	83	166	• 19	• 37	• 22	14	• 114
505. War-damage insurance.....	• 2	1	20							
506. Promotion of defense production and economic stabilization.....	133	176	• 37	11	• 81	128	162	75	143	239
Total, finance, commerce, and industry.....	• 44	161	71	110	106	126	127	76	164	162

<sup>1</sup> Deduct, excess of repayments and collections over expenditures.<sup>2</sup> Because of rounding, detail may not add to totals.<sup>3</sup> Expenditures are net of receipts of public enterprise funds. For 1949 and prior years, expenditures include investments in United States securities.

## SPECIAL ANALYSIS J—Continued

## COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES BY FUNCTION—Continued

FISCAL YEARS 1946 THROUGH 1955—Continued

[In millions <sup>1</sup>]

Description	Actual								Estimate	
	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955
<b>BUDGET EXPENDITURES <sup>2</sup>—Continued</b>										
<b>Labor and manpower:</b>										
551. Mediation and regulation of labor relations.....	\$17	\$11	\$8	\$12	\$13	\$12	\$13	\$13	\$13	\$13
552. Unemployment compensation and placement activities.....	144	161	156	163	227	189	202	209	197	213
553. Labor standards and training.....	6	12	11	13	15	17	18	17	17	17
554. Labor information, statistics, and general administration.....	7	10	7	5	8	9	8	8	7	7
555. Defense production activities.....						1	2	2		
556. Military manpower selection.....	50	30	8	17	9	27	32	33	30	31
Total, labor and manpower.....	224	224	190	211	271	254	275	281	265	281
<b>General government:</b>										
601. Legislative functions.....	23	28	32	34	39	40	42	48	46	47
602. Judicial functions.....	13	16	18	19	25	28	28	27	29	30
603. Executive direction and management.....	8	7	7	9	10	17	14	11	13	11
604. Federal financial management.....	397	415	416	378	390	413	438	442	454	431
605. Other central services.....	97	505	495	199	165	194	256	215	192	192
606. Retirement for Federal civilian employees.....	248	224	247	228	308	308	313	324	34	32
607. Unemployment compensation for Federal civilian employees.....										25
608. Protective services and alien control.....	102	77	87	93	98	115	164	133	147	139
609. Territories and possessions, and the District of Columbia.....	13	12	20	21	22	22	50	55	60	78
610. Other general government.....	49	50	43	94	121	173	131	185	199	175
Total, general government.....	951	1,334	1,366	1,075	1,177	1,309	1,437	1,439	1,175	1,160
<b>Interest:</b>										
651. Interest on the public debt.....	4,747	4,958	5,188	5,352	5,720	5,615	5,853	6,504	6,525	6,800
652. Interest on refunds of receipts.....	66	50	57	87	93	93	76	75	70	70
653. Interest on uninvested trust funds.....	2	5	4	6	4	6	5	5	5	5
Total, interest.....	4,816	5,012	5,248	5,445	5,817	5,714	5,934	6,583	6,600	6,875
Reserve for contingencies.....									75	150
Total.....	59,371	38,729	33,457	39,234	39,275	44,821	66,265	74,274	70,902	65,570
Adjustment to daily Treasury statement basis.....	+1,077	+304	-389	+273	+331	-763	-855	-292		
Total budget expenditures.....	60,448	39,033	33,068	39,507	39,606	44,058	65,410	73,982	70,902	65,570
Budget surplus (+) or deficit (-).....	-20,676	+754	+8,419	-1,811	-3,111	+3,510	-4,017	-9,389	-3,273	-2,928
<b>MEMORANDUM</b>										
Capital transfers from expenditure to receipt accounts.....	\$38	\$210	\$263	\$802	\$276	\$208	\$268	<sup>4</sup> \$265	<sup>4</sup> \$434	<sup>4</sup> \$277
Refunds of receipts (excluding interest).....	2,973	3,006	2,272	2,838	2,160	2,107	2,302	3,120	2,988	2,491
Investments of Government-owned corporations and enterprises in United States securities <sup>3</sup> .....					11	104	101	3,148	2,881	3,044

<sup>1</sup> Because of rounding, detail may not add to totals.<sup>2</sup> Expenditures are net of receipts of public enterprise funds. For 1949 and prior years, expenditures include investments in United States securities.<sup>4</sup> See special analysis I for detail.



*Changes in the functional classification from the 1954 budget to the 1955 budget*

Classification used in the 1954 budget	Classification used in the 1955 budget	Description of change
<b>Military services:</b> 051. Direction and coordination of defense.....	<b>National security:</b> 051. Direction and coordination of defense.....	Retitled to reflect new concept of national security programs. Subfunction now comprises only appropriations for the Office of the Secretary of Defense. Appropriations for the National Security Council and National Security Resources Board formerly included in this subfunction have been reclassified as "Executive direction and management" (603).
052. Air Force defense.....	052. Air Force defense.....	These subfunctions now include all military appropriations for the respective departments. A few small appropriations formerly classified in other categories have been moved here.
053. Army defense.....	053. Army defense.....	
054. Naval defense.....	054. Naval defense.....	
055. Activities supporting defense.....	055. Other central defense activities.....	Subfunction now includes all appropriations for "Interservice activities" of the Department of Defense (and historically, Armed Forces leave payments). Appropriations made to other agencies have been moved to other categories.
—	056. Mutual military program.....	New subfunction comprises appropriations for military assistance (and historically, various defense aid items) formerly included under "Military and economic assistance" (152).
—	057. Development and control of atomic energy.	Former category 406 under "Natural resources" (comprising Atomic Energy Commission) renumbered.
—	058. Strategic and critical materials.....	New subfunction comprises General Services Administration appropriation for strategic and critical materials, formerly included under "Activities supporting defense" (055).
<b>International security and foreign relations:</b>	<b>International affairs and finance:</b>	Retitled to reflect changed content of subfunctions.
151. Conduct of foreign affairs.....	151. Conduct of foreign affairs.....	Appropriations for United States Information Agency and appropriations for educational exchange activities have been moved from 151 to a separate subfunction (153).
152. Military and economic assistance.....	152. Economic and technical development.....	
153. Foreign information and exchange activities.		Military assistance appropriations formerly included in this category are now included under 056 above.
<b>Natural resources:</b> 406. Development and control of atomic energy.	—	Subfunction renumbered 057 (see above).
<b>Transportation and communication:</b> 454. Promotion of aviation, including provision of airways and airports.	<b>Transportation and communication:</b> 454. Promotion of aviation.....	Title shortened. Now includes appropriations for the National Advisory Committee for Aeronautics, formerly included under "Activities supporting defense" (055).
<b>Labor:</b> —	<b>Labor and manpower:</b> 556. Military manpower selection.....	Retitled to reflect addition of new subfunction. New subfunction includes Selective Service System and National Security Training Commission, both formerly included under "Activities supporting defense" (055).
	<b>General government:</b> 607. Unemployment compensation for Federal civilian employees.	New subfunction reflects proposed legislation item.





